

Separation from employment

Claim management

- ✓ Claim reviews

- ✓ Medical treatment and other support

- ✓ Rehabilitation and return to work

- ✓ Incapacity calculation and payment

- ✓ Reimbursement and other payments

- ✓ Overpayments and recoveries

- ✓ Work related death

- ✓ New or changed conditions

- ✓ Permanent impairment

- ✓ Miscellaneous

Jump to:

Introduction

When an employee separates from their Commonwealth employment and has an incapacity for work, it is important their capacity for work is regularly reviewed. This is to ensure that if a capacity to work is identified, appropriate rehabilitation and return to work actions are undertaken to return the employee to suitable employment. In some cases, it may be appropriate to determine an employee has an 'ability to earn', for further guidance refer to the [Assessment of ability to earn](#) page.

This section provides guidance on when the separation from employment process is applied, assessing capacity to work following separation from work and actioning the cessation form.

[Return to top of page](#) | [Return to top of section](#)

When is the separation process applied?

The separation process is triggered when you become aware an employee has separated or is soon to separate from Commonwealth employment. When this occurs, Pracsys must be updated to reflect the separation.

Usually the employer phones Comcare or submits a [Cessation of Employment](#) form. Sometimes it is the employee who contacts Comcare to advise that they are separating from their employment. Separation can include, but is not limited to:

- voluntary or involuntary redundancy
- retirement age
- resignation
- dismissal, or
- retirement due to ill health (invalidity retirement).

Assessing capacity to work following separation from employment

The following process is relevant to a claim where the employee has a greater capacity to work than what they are undertaking when they separate from employment.

Step	Activity	Who	Description
1.	Comcare is notified of employee's separation	CM	Actions the cessation of employment form See: Actioning the cessation form section below.
2.	Communication with the employer	CM	Discuss the employee's separation , including payments the employee is currently receiving and inform the employer their rehabilitation obligations continue under the SRC Act.
3.	Assess if the employee continues to be incapacitated for work as a result of their compensable condition	CM	Assess whether the employee has: <ul style="list-style-type: none">• an incapacity to engage in any work, or• an incapacity to engage in work at the same level at which the employee was engaged prior to their injury. Important: If there is no incapacity for work as a result of the compensable condition, end this process. See: Assessment of ability to earn
4.	Communication with the employee	CM	<ul style="list-style-type: none">• Ask the employee what they intend to do in terms of employment.

			<ul style="list-style-type: none"> • Advise the employee of their obligation to seek suitable employment under the SRC Act. • Advise the employee that their employer has an obligation to assist them with obtaining suitable employment.
5.	Establish the employee's capacity for work and any actual earnings (gross)	CM	<p>Review the evidence on the claim file to establish:</p> <ul style="list-style-type: none"> • what employment the employee was undertaking immediately prior to separation (hours, employer, earnings) • what employment the employee is going to be undertaking post-separation (if any) (hours, employer, potential earnings), and • what the employee's capacity for work is (hours fit to work, any restrictions, possible earning capacity). <p>See: Assessment of ability to earn</p>
6.	Is the employee's capacity for work greater than the employment actually being undertaken, or going to be undertaken, post separation?	CM	<ul style="list-style-type: none"> • Telephone the rehabilitation authority to discuss and to arrange a case conference. <p>Note: You can request Return to Work Support attend the case conference and assist with developing a claims management strategy prior to the case conference being conducted.</p>
7.	Assesses ability to earn	CM	<ul style="list-style-type: none"> • Undertakes an assessment of ability to earn and where applicable determines an ability to earn see: Assessment of ability to earn

8.	If incapacity entitlements are payable set employee up on Xpay	Income Support team	<ul style="list-style-type: none">• Sets employee up on Xpay.
----	--	---------------------	---

Actioning the cessation form

The Cessation of Employment form is completed by the employer and provides details on an employee's job classification, job title and last pay period prior to the date the employee ceased employment.

Process for actioning the cessation of employment form

This process details how a CM actions the 'Cessation of Employment' form once it is received from the employer:

Step 1: Record the date of separation in Pracsys.

Go to Amend Claim Registration (ACLM):

- select the 'Agency' tab
- select 'No' for 'Still Employed'
- change 'Employee Status' to 'Resigned/Terminated'
- enter the 'Resigned/Terminated Date'
- select the 'Reason for Leaving'.

Step 2: Determine if employee is entitled to receive incapacity payments after the date of separation

- If yes, then email the [Income Support](#) team advising the employee needs to be set up on Xpay.
- If no, end procedure.

[Return to top of page](#) | [Return to top of section](#)