

THE CROSS SECTOR PROJECT

Mapping Australian Systems of Income Support for People with Health-Related Work Incapacity

January 2018

A very large number of Australians of working age experience periods of temporary or permanent work incapacity due to ill health, disability or injury. The costs of providing income support to these people are substantial. Income support is dispersed across many commonwealth, state, territory and private organisations through ten major systems. Services to assist health and work outcomes may be funded through these systems, through personal resources or through other systems (e.g., Medicare, Private Health Insurance, National Disability Insurance Scheme). While we have a limited understanding of the movement of people between the support systems, there are multiple short-term opportunities to improve knowledge in this area. There are also numerous opportunities to improve work and health outcomes in this population. Many of these require cross-sector collaboration.



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For more information visit the Collaborative Partnership website
comcare.gov.au/collaborativepartnership

786,000

expendi786,000 people who were unable to work due to ill health, injury or disability received income support from a commonwealth, state, territory or private source.

6.5M

An additional 6.5 million people accessed employer provided leave entitlements for short periods of work incapacity.

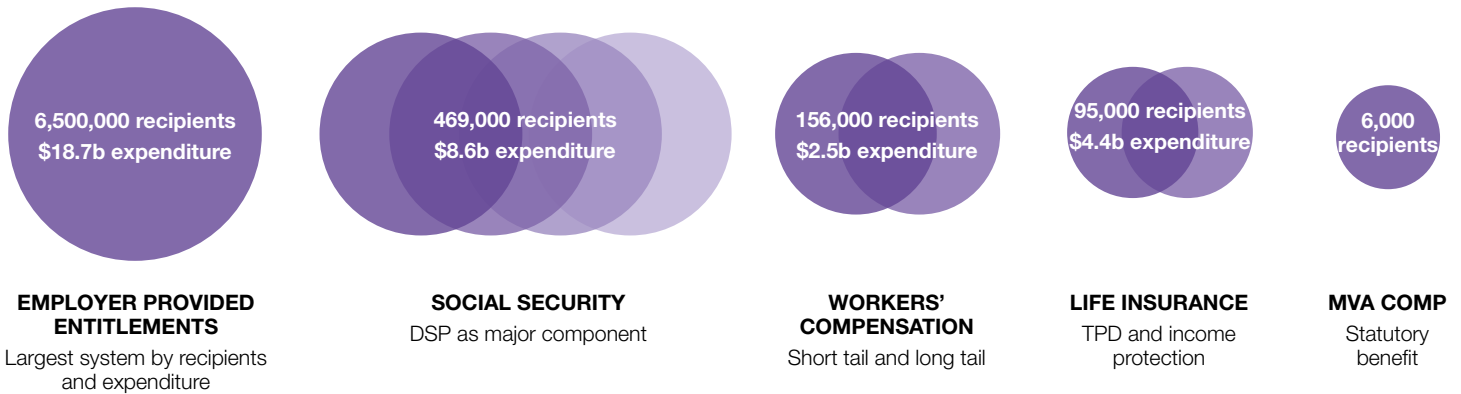
\$37.2 B

A total of \$37.2 billion was spent on income support for these people during the year.

SCOPE OF INCOME SUPPORT SYSTEMS

LARGEST

SMALLEST



SYSTEM SERVICES AND FEATURES

- 6** Systems fund return to work services
- 6** Systems fund job finding / employment services
- 5** Systems fund healthcare and treatment
- 4** Systems fund provision of functional supports
- Case management was the only service provided across all systems**

COMMON MEDICAL CONDITIONS

Musculoskeletal and mental health conditions are common.

Many people enter these systems with conditions ranging from mild temporary illness to serious acquired disability.

MOVEMENT BETWEEN SYSTEMS







There is very little data on movement of people between systems. Interviews with 25 experts revealed a small number of major pathways for people with long periods of work incapacity.

SYSTEM DATA

The systems are data rich. However the data landscape is highly fragmented and siloed. Half of the systems have centralised databases, there are few common data standards and no formal data linkage.

IDENTIFIED OPPORTUNITIES TO IMPROVE WORK AND HEALTH

- Information and data sharing
- Earlier intervention
- Aligning service models
- Engaging and influencing employers
- Product and benefit design
- Better system transitions
- Macro level policy reform

SERVICES AND FEATURES	Return To Work	Healthcare / Treatment	Employment	Functional Supports	Case Management
					
	Support for returning to the same job or workplace.	Medical care provided by a healthcare practitioner.	Support for finding a new job or new employer.	Aids and equipment to support daily living.	Coordination of services, supports and funding.
EMPLOYER PROVIDED ENTITLEMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
WORKERS' COMP SHORT TAIL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
WORKERS' COMP LONG TAIL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
MVA COMP LUMP SUM	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
MVA COMP STATUTORY BENEFIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LIFE INSURANCE INCOME PROTECTION	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LIFE INSURANCE TPD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SOCIAL SECURITY DISABILITY SUPPORT PENSION			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SOCIAL SECURITY NEWSTART ALLOWANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SOCIAL SECURITY YOUTH ALLOWANCE			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SOCIAL SECURITY SICKNESS ALLOWANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DVA COMP AND PENSIONS	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
SUPERANNUATION WITHDRAWALS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Recipients	Type	Coverage	System	Recipient	Min (per recipient)	Max
EMPLOYER PROVIDED ENTITLEMENTS Sick leave, annual leave or other leave provided by the employer.	6,544,000	Disability based	Local / Employer	\$18,725m	\$2,681	\$1,179	\$1,179
WORKERS' COMP SHORT TAIL Income support and medical to workers injured in the course of employment. Income payments time limited to 5 years.	126,000	Mechanism based	NSW, VIC, QLD, SA, NT	\$1,859m	\$24,176	\$884	\$1,179
WORKERS' COMP LONG TAIL Income support and medical services to workers injured in the course of employment. Income payments limited to retirement age.	30,000	Mechanism based	TAS, WA, ACT, CTH	\$650m	\$32,395	\$766	\$1,179
MVA COMP LUMP SUM Lump sum payment for economic loss for those injured in a motor vehicle accident that was not their fault.	9,000	Mechanism based	QLD, WA, SA, ACT, NSW	\$267m	\$110,609	Lump sum \$110,609	
MVA COMP STATUTORY BENEFIT Income support and medical services to people injured in a motor vehicle accident. Income payments time limited except for very seriously injured.	6,000	Mechanism based	VIC, TAS, NT, NSW	\$96m	\$52,000	\$943	\$1,120
LIFE INSURANCE INCOME PROTECTION Income support to people with a medical condition that results in work incapacity. Payments usually time limited to 2 years.	65,000	Disability based	National (per issuer)	\$1,444m	\$22,217	\$884	\$943
LIFE INSURANCE TPD Lump sum payment for economic loss to people with a medical condition that results in permanent incapacity.	30,000	Disability based	National (per issuer)	\$2,990m	\$100,634	Lump sum \$100,634	
SOCIAL SECURITY DISABILITY SUPPORT PENSION Income support for people with a significant physical, intellectual, or psychological condition that limits work capacity to less than 15 hours per week.	282,000	Disability based	National	\$6,108m	\$21,631	\$407	\$447
SOCIAL SECURITY NEWSTART ALLOWANCE Income support for unemployed people aged between 25 and 65 years who are looking for work.	169,000	Disability based	National	\$2,287m	\$13,536	\$269	\$376
SOCIAL SECURITY YOUTH ALLOWANCE Income support for unemployed people aged less than 24 years who are looking for work or studying.	10,000	Disability based	National	\$102m	\$10,601	\$219	\$376
SOCIAL SECURITY SICKNESS ALLOWANCE Income support for workers who temporarily cannot work due to injury, illness, or disability, but have a job to return to. Usually time limited to 12 months.	8,000	Disability based	National	\$108m	\$13,974	\$269	\$348
DVA COMP AND PENSIONS Income support and medical services for veterans aged below 60 injured during service, and pension for veterans aged above 60 years.	24,000	Mechanism and aged based	National	\$293m	\$23,982	\$884	\$1,179
SUPERANNUATION WITHDRAWALS Access to superannuation prior to retirement age in people with terminal medical conditions, temporary or permanent incapacity.	27,000	Disability based	Industry / National	\$2,226m	\$82,444	Lump sum \$89,500	