

Claiming an Income Protection benefit: Frequently Asked Questions

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You should read these Frequently Asked Questions along with the *Claiming an Income Protection benefit guide*. You can access this document at virginmoney.com.au/super-insurance.

What's Income Protection (IP)?

Income Protection is a type of voluntary insurance that can help if you temporarily become sick or injured and can't work. It provides monthly payments to help you manage your expenses while you're not earning your regular salary. This way, you can focus on getting better without worrying about your finances. The amount you receive is up to 75% of your Salary at the time you become disabled and are unable to work. Salary is as defined by the insurer.

How do I know if I'm eligible to make an IP claim?

To find out if you can make a claim for Income Protection, we need to look at a few things. These can include your age, the status of your cover when you make the claim, and the specific criteria in the insurance policy applying at the date of your disablement.

If you need help, give us a call on **1300 217 430** Monday to Friday 9am-5pm (AEST/AEDT). If you're calling from overseas, please call us on +61 3 9192 4419.

If your application is approved, there may be personal exclusions based on the information you provide. See the FAQ, 'What are limitations and exclusions?'

What are limitations and exclusions?

This is where you may not be paid cover due to a clause in your policy. It could also limit the amount you're entitled to. If this is the case, you will be advised once your claim has been assessed by the insurer.

Your Case Manager can provide you with further information on the limitations and exclusions that may apply.

Standard exclusions and limitations apply to everyone who has applied for and been issued with Income Protection cover within Virgin Money Super. For example, no benefit is payable during a period of employer-approved leave, or where there was intentional self-inflicted harm, or in the event of war.

As you applied for this Income Protection cover, you may have personal exclusions that apply, as agreed with the insurer.

What are offsets?

The insurer will need to identify whether you're receiving any other sources of income related to your disablement. These are known as 'offsets' and may reduce the amount of the benefit you will receive. Other sources could include:

- Workers' compensation payments
- Other Income Protection policies

Keep in mind that not all income protection insurance policies reduce benefits based on the amounts listed above. Depending on your date of disablement, and the terms of the policy that applied at this date, different offsets may apply.

If your monthly benefit is reduced because of other income, the insurer will provide you with a written explanation.

What do I need to know about my cover?

To help you better understand your cover (if any) and how it works, here are explanations of some key terms:

Waiting period: 90-days which must pass before monthly benefits start to build up.

Benefit period: The maximum period for which a Total Disablement (TD) and/or Partial Disablement (PD) benefit will be paid to you in respect of the injury or illness for which you are claiming. This is 24 consecutive months.

Contact your Case Manager for more information about the waiting and benefit periods.

Total Disablement: to qualify for Total Disablement, some examples of the criteria you may need to meet include that, solely due to your injury or illness, you are:

- unable to perform one or more of the necessary duties of your usual occupation to earn your salary; and
- not working in any job, whether paid or unpaid; and
- following the advice of a doctor in relation to the illness or injury that you are claiming for.

Partial Disablement: To qualify for Partial Disablement, some examples of the criteria you may need to meet include that, solely due to your injury or illness, you:

- are unable to perform one or more of the duties necessary to produce income from your usual occupation; and
- have returned to work, either in your usual occupation or in a different one, but you are earning an amount each month which is less than your Salary before you became disabled; and
- are following the advice of a medical practitioner in relation to the illness or injury for which you are claiming

What are the Terms of Cover?

The key terms and conditions (including exclusions) that apply to Income Protection cover are contained in the Insurance Policy. These are summarised in the Insurance Guide and the Product Disclosure Statement that was current at the date of your disablement. However, if there are any discrepancies between the summaries provided, then the terms of the insurance policy will prevail.

Your Case Manager can help with outlining the applicable Terms of Cover.

Roles and responsibilities

The key people involved include you, your case manager, the insurer and the trustee.

You: Provide any information requested by your Case Manager and keep them informed of any changes to your personal or medical situation, including updates to your contact details, medical treatment, or if you return to work.

Your case manager: They will be assigned to assist you. Their role is to help communicate on your behalf with the insurer. This includes collecting and sharing all the necessary information for your claim. They will also guide you through the process, inform you of what's required, and help you if there are any difficulties with documents.

The insurer: Assesses the claim based on the terms and conditions of cover applying to your Virgin Money Super plan and communicates to the trustee their recommendation about whether they intend to pay or not pay the insurance claim to you. The insurer will also pay you directly, if the claim is approved, and keep you informed regarding any ongoing payments.

The trustee: The trustee of Virgin Money Super is responsible for managing the super fund on behalf of members. As the trustee, they have a duty to act in the best financial interests of members. They will:

- Review the recommendations made by the insurer to accept or decline the claim.
- Ensure the amount received from the insurer is correct (if they approve the claim).
- If the claim is approved, ensure the insurer pays the claim to you on an ongoing basis, where required.
- If the claim is declined, ensure they agree the decision is fair and reasonable or challenge the decision of the insurer if they do not agree.

What is the Trust Deed?

The Trust Deed is the foundational legal document for any super fund in Australia. It sets out the rules and terms for establishing, operating and managing the fund. It outlines the fund's objectives, powers and responsibilities of the trustee, and rules for who can be a member, and their rights. In addition, this includes the eligible dependants in the deed.

The Trust Deed operates in line with superannuation law to form the fund's governing rules.

Claims process and timeframes

How do I start an Income Protection Claim?

To start an Income Protection (IP) Claim, call us on **1300 217 430**, Monday to Friday 9am-5pm (AEST/AEDT), or email us at virgininsurance@mercero.com. If you're calling from overseas, please call us on +61 3 9192 4419. We'll guide you through the necessary steps and documentation required.

If you're unable to call or email, you can also let us know by post:

Virgin Money Claims Team
GPO Box 4650
Melbourne VIC 3001

How long will it take to assess my claim?

We provide timeframes for each of the steps involved in making a claim in our *Claiming an Income Protection benefit guide*. You can find this at virginmoney.com.au/super-insurance.

We adhere to industry standards about timeframes for handling claims. However, there may be times where *exceptional circumstances* can lead to delays in processing times.

What are exceptional circumstances that may lead to processing delays?

Exceptional circumstances broadly cover claims where:

- There are delays in the supply of documents
- The claim is complex and requires investigation beyond expected timeframes
- Additional financial or medical information is required and the time it takes to receive this information

How can I speed up the claim?

We understand that this process can be overwhelming, and we want to help you move your claim forward as smoothly as possible. To ensure your claim is processed quickly, please provide all requested documents and information as soon as you can.

If you have any questions or are unsure about any of the documents or forms, don't hesitate to reach out to us before submitting them. We're here to assist you, as unclear or incomplete documentation can lead to delays in processing your claim.

Call **1300 217 430**, Monday to Friday 9am-5pm (AEST/AEDT). If you're calling from overseas, please call us on +61 3 9192 4419.

What happens if my claim is declined?

If the insurer informs us that they've decided not to pay the claim, the trustee will review their recommendation within **15 business days**. If the trustee requires extra information, or does not agree with the insurer's decision, the claim will be referred back to the insurer for reconsideration. We'll contact you to advise of the next steps.

Who else can start a claim?

In addition to you, there are certain individuals who can start a claim on your behalf.

- Family members, such as a spouse, parent, or an adult child.
- A lawyer/solicitor that you appoint to represent you can also start a claim on your behalf.

In all cases you'll need to provide your authority before the claims process can proceed. This requirement ensures your privacy and rights are protected throughout the claims process. Your Case Manager will be able to help with this.

Documents and evidence

What documents do I need to provide?

We've listed the main documents in Step 3 of the *Claiming an Income Protection benefit guide* to assist. However, depending on your individual claim, we'll outline these separately to you in a letter.

Do I need medical reports or evidence?

Yes, these will be outlined in the letter from your Case Manager.

How do I get a certified copy of an official document?

For more information about certified identification, including how to get your documents certified, please read the *Completing proof of identity factsheet*. You can find this at: virginmoney.com.au/super/proof-of-identity.

What if I can't find some of the details needed for identification?

Your Case Manager will be able to help you with other options to identify yourself.

Financial considerations

How much can I receive?

Payouts are up to 75% of your monthly salary before you stopped work due to your disablement. This may be lower than the amount you agreed with the insurer when you applied for cover. The insurer will let you know their definition of salary.

Your monthly payments may be reduced if you receive other income, which is directly related to your illness or injury, while you're not working. (see the FAQ, *How are Income Protection benefit payments affected by other amounts I receive?*)

Are there any tax or financial implications?

Your Income Protection benefit payment is considered taxable income and is subject to Pay As You Go (PAYG) withholding tax, just like salary and wages. The PAYG withholding tax will be deducted from your benefit before it's paid and sent to the Australian Taxation Office (ATO).

There may be financial or tax implications you should consider when accessing your benefit. Advice from a licensed professional, such as a financial adviser, may be helpful to decide the best option for you.

Important information

The monthly cover amount shown on your statement or in your online account is the total before any taxes are taken out. This means the amount you receive in your bank account from the insurer will be lower because taxes will be deducted.

How are Income Protection benefit payments affected by other amounts (offsets) I receive?

Once the insurer has accepted your claim, your monthly benefits may be offset (or reduced) by income you receive from other sources which is related to your disablement. This could include payments from workers' compensation, or from another Income Protection policy.

If you receive income that doesn't require you to work (like rental income or investment income), this usually won't affect your monthly benefits.

Keep in mind that not all insurance policies reduce benefits based on the amounts listed above. If your monthly benefit is reduced because of other income, the insurer will provide you with a written explanation.

When will I be paid?

You will not receive any benefit payments during the waiting period, and payments do not start automatically once this period ends. Instead, payments are made in arrears, which means you will receive your first payment one month after your waiting period ends. This is provided the insurer has approved your claim and you've sent us all of the required information.

How will payments be made?

Where your Income Protection benefit has been approved for payment by the trustee, the insurer will contact you to arrange the payment.

We will keep in contact with the insurer and review the insurer's decisions about continuing or stopping ongoing Income Protection payments.

Do I need to have a bank account in my name?

Yes, to receive a monthly benefit payment, the insurer will require you to have a bank account in your name. A jointly named bank account is acceptable.

How long will I be paid for?

Your eligibility to continue receiving monthly benefit payments depends on several factors:

- You continue to provide the medical and financial information the insurer requires on an ongoing basis to demonstrate that you still meet their definition of disability
- You haven't yet reached the age at which cover expires - age 65
- You are still within your benefit period, which is the maximum length of time payments are allowed under your insurance cover. This benefit period is 24 months.

Monthly benefits may also stop earlier if you're overseas at the time of your disablement, and you do not follow the insurer's requirements, which may include getting medical treatment that it considers comparable with Australian medical treatment. Additionally, if you're asked to return to Australia for medical treatment (at your own cost) and do not do so, your benefits may also be affected. The insurer will let you know if this applies to you.

Are ongoing assessments required for Income Protection benefit payments to continue?

If the claim is approved, there will typically be ongoing requirements for you to attend assessments to receive further payments. If this is the case, the insurer will contact you directly.

You will need to pay any costs associated with attending ongoing assessments or obtaining documents from your doctor.

Additional considerations

How does receiving Income Protection benefits affect my super balance?

If your claim is approved, premiums for your Income Protection cover will be waived while you're receiving Income Protection benefits.

If I have Income Protection across multiple super accounts (and super funds) can I make multiple claims?

Usually, you can't make claims on multiple Income Protection policies at the same time. If you're eligible to make a claim from more than one policy, whether it's with Virgin Money Super or another super fund, the payments from one policy will be treated as offsets in the other policy.

If you have Income Protection cover on more than one Virgin Money Super account, we will cancel the cover with the lowest value and refund the premiums for the cover with the lowest value.

If you have Income Protection cover with another insurer or super fund, we'll provide you with the details at the time you make a claim.

Note: Please see the FAQ *What are offsets?*

What are my advice options?

There may be financial or tax implications you should consider when accessing your benefit. Advice from a licensed professional, such as a financial adviser, may be helpful to decide the best option for you when it comes to your superannuation benefits.

If you're experiencing financial hardship, you may be able to access some of your super to meet reasonable and immediate living expenses.

We're here to help

Speak with one of our Claims consultants on **1300 217 430**, Monday to Friday 9am-5pm (AEST/AEDT). If you're calling from overseas, please call us on **+61 3 9192 4419**.

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