

## Permanent Impairment Compensation

The Bill clarifies the process and timeframes for accessing permanent impairment compensation via a settlement agreement. The permanent impairment compensation table (Schedule 2 in current Act) and amounts payable for each item will not change.

### Key Points

Bill ref: Part 2 Division 7, cl. 150

- There is a new process for agreement (cl. 105) or determination (cl. 106) of the degree of permanent impairment for the purpose of accessing permanent impairment compensation.
- A notification process (PI Notice) and timeframes apply to how a worker and employer reach agreement on the worker's degree of impairment. If the process fails to reach agreement an arbitrator will determine the matter.
- The PI Notice is registered with the settlement agreement (not as a separate election or registration process).
- Permanent impairment compensation is payable when the employer's liability to compensate the worker for the injury is commuted by a registered settlement agreement.
- The Director Conciliation will continue to scrutinise the amount paid for any permanent impairment compensation. This is to ensure the amount in the settlement agreement corresponds with the legislated method for calculating permanent impairment compensation: the percentage degree of permanent impairment multiplied by the percentage of the lump sum limit that applies to the relevant impairment item.
- There is no change to the capped amounts payable.

### Questions & Answers

**Q. Are there any changes to expand, redefine or modify the table of impairments or the amounts payable for permanent impairment?**

**A.** No. The weightings that currently apply to specified impairments relative to the maximum lump sum payment are retained in the Bill. There is also no change to the total amount payable for permanent impairment compensation.

**Q. Who pays for the permanent impairment assessment?**

**A.** The worker's employer / insurer is liable to pay for one permanent impairment assessment for the purpose of establishing eligibility for permanent impairment compensation if a worker requests an assessment. This does not include the cost of an assessment that an employer arranges and voluntarily pays for as part of the management of the worker's claim.