



Australian Government

Services Australia

Exempting a job seeker from mutual obligation requirements for serious illness 001-09120080

Currently published version valid from 14/06/2023 10:13 PM

Background

This document outlines how to assess an exemption from mutual obligation or participation requirements for a job seeker or [ParentsNext participant](#) with a serious illness. This may apply to customers receiving JobSeeker Payment (JSP), Youth Allowance (YA), Parenting Payment (PP) or Special Benefit (SpB).

Temporary Incapacity - Serious Illness

Job seekers and participants with mutual obligation or participation requirements who are temporarily incapacitated as the result of an illness, injury or medical condition may be eligible for a temporary incapacity exemption. See [Assessing and coding medical evidence for temporary incapacity exemptions](#).

A **Temp-Incap Serious Illness exemption** may be granted for customers who are suffering from a serious illness. A serious illness or injury is expected to impact on a customer's ability to undertake work, study or meet their mutual obligation requirements for 8 hours or more per week for an extended period (more than 13 weeks and less than 24 months). This exemption can be applied for periods greater than 13 weeks under a single medical certificate.

Note: as a result of their condition, seriously ill customers may be temporarily incapacitated for extended periods of time. However, it is often the case that they will not qualify for Disability Support Pension (DSP) because their condition is:

- not yet diagnosed, reasonably treated and stabilised, or
- temporary (is likely to persist for less than 2 years)

Exemption Period

The Temp-Incap - Serious Illness exemption may initially be granted for up to 12 months, according to the dates advised by a medical practitioner on the medical certificate, or following contact with a Service Officer.

If further evidence is provided and it can be determined that the same serious illness condition persists at the end of the initial 12 month exemption, an extension of up to 6 months may be applied. The allowable exemption period will be determined by the dates advised by the medical practitioner on a **new** medical certificate.

Job seekers granted a Temp-Incap Serious Illness exemption:

- **will not** be required to provide additional medical certificates for the duration of the exemption, and
- **will** have modified reporting requirements during the exemption

If a job seeker is still clearly temporarily incapacitated for all work after being granted a total period of 18 months exemption for the same medical condition, they may be granted a further exemption of up to 13 weeks at a time. A new medical certificate will be required for each new exemption period and will be assessed under the temporary incapacity exemption provisions.

Exemption criteria

To be eligible for a temporary incapacity - serious illness exemption, the following criteria must be met:

- the job seeker must:
 - meet all the criteria required for a temporary incapacity exemption
 - be temporarily incapacitated as a result of having a serious illness

- be undergoing/recovering from intensive medical treatment (for example, chemotherapy, radiotherapy, etc.) or undertaking rehabilitation for the serious illness
- it is unlikely that the job seeker will experience significant improvement in their medical condition over the period stated on the medical certificate, and
- requiring the job seeker to repeatedly obtain a new medical certificate every 13 weeks would place unreasonable physical and/or mental burden or stress on the job seeker

Note: this exemption should not be used as a way to reduce the number of contacts with job seekers.

Serious illness conditions

Some examples of medical conditions that may indicate a job seeker or participant is seriously ill include:

- cancer/leukaemia
- severe stroke
- acquired brain injuries
- serious burns
- serious physical injuries requiring long recovery periods
- severe mental health conditions for which the person is receiving treatment in an institutional setting

If a job seeker's medical evidence verifies they have a terminal illness, they may be manifestly eligible for [Disability Support Pension \(DSP\)](#).

Note: if the serious illness is primarily as a result of **drug or alcohol misuse or dependency**, a Temp-Incap Serious Illness exemption **cannot** be granted unless the job seeker is a Community Development Program (CDP) participant. The job seeker can volunteer to undertake [drug dependency treatments or interventions](#).

Medical evidence for Temp-Incap Serious Illness exemption

A [valid medical certificate](#) is preferred, however, any medical documentation which contains the information required for a valid medical certificate will satisfy this requirement.

Where the information contained in a valid medical certificate requires clarification, or if a serious illness is otherwise indicated, it may be appropriate to contact the medical practitioner to make sure that all relevant information is considered in the decision. Additional information obtained via contact with the medical practitioner must be appropriately documented on the customer's record.

ESAt and Temp-Incap Serious Illness exemptions

Job seekers with a serious illness who clearly meet the criteria for the Temp-Incap Serious Illness exemption **do not need to be referred for an Employment Services Assessment (ESAt) to determine whether an exemption can be granted.**

A referral for an ESAt **in addition to** granting a Temp-Incap Serious Illness exemption may be appropriate to determine:

- if a job seeker has a Partial Capacity to Work (PCW)
- identify if another payment is more appropriate
- determine eligibility for Youth Disability Supplement (YDS) or independence, or
- where a job seeker has been suspended for failing to attend a previous ESAt appointment

If the Job Seeker Snapshot identifies the requirement for an ESAt for a job seeker who meets the criteria for the Temp-Incap - Serious Illness exemption, and it is determined that an ESAt is not also required, the [ESAt flag may be withdrawn](#) so the pending Job Seeker Snapshot can be completed without referring the job seeker for an ESAt.

Note: Employment Services Assessment (ESAt) do not apply to ParentsNext participants.

Assessment of Temp-Incap Serious Illness exemption by Assessment Services staff

Assessment Services staff may grant Temp-Incap Serious Illness exemptions for job seekers in place of conducting an Employment Services Assessment (ESAt), where the evidence indicates that this is appropriate. An Assessor may obtain further evidence by contacting the medical practitioner via phone. Further evidence must be documented appropriately. In some circumstances, it may be in the job seeker's best interest to complete the ESAt where a Temp-Incap Serious Illness exemption could be applied. This is to be determined at the Assessor's discretion and is likely only relevant for a small cohort of job seekers.

Reporting requirements during a Temp-Incap Serious Illness exemption

Job seekers

Job seekers who have been granted the Temp Incap Serious Illness exemption can be manually placed on [variable reporting](#) and are required to report every 12 weeks using self-managed services or via Reporting Statement (SU19).

ParentsNext

Compulsory [ParentsNext participants](#) who have been granted the Temp-Incap Serious Illness exemption for a period of 52 weeks are automatically placed on 12 weekly variable reporting and are required to lodge a modified Reporting Statement (SU19). Reporting requirements cannot be manually updated for ParentsNext participants.

Modified SU19

Where a customer has been placed on variable reporting due to a Temp-Incap Serious Illness exemption, the SU19 is modified to include questions about their medical condition. The exemption will be reconsidered if the customer states on the SU19 their condition has significantly improved or deteriorated. See Reporting requirements and Temp Incap - Serious Illness exemptions in [Reporting requirements for job seekers](#).

Authorising a person to act on behalf of a seriously ill customer

Customers who are seriously ill and have been granted a Temp-Incap Serious Illness exemption may find it difficult to conduct their business with the Agency for extended periods. It may be beneficial for them to [have a nominee](#) to act on their behalf during the period of incapacity.

Service Officer suspects medical certificate may be fraudulent

If the Service Officer is not satisfied with the integrity of the information on the medical certificate, a temporary incapacity exemption should not be granted. See Suspected fraud in [Centrelink Medical Certificate \(SU415 or SU683\)](#).

Related links

[Identifying people with a partial capacity to work](#)

[Assessing and coding medical evidence for temporary incapacity exemptions](#)

[Altered processes and mutual obligation requirements for job seekers due to coronavirus \(COVID-19\) response](#)

[Job Capacity Assessment \(JCA\) referral](#)

[Request an Employment Services Assessment \(ESAt\)](#)

[Job Seeker Snapshot Initiated Employment Services Assessment \(ESAt\) flags](#)

[Reporting requirements for job seekers](#)

[Adding or rejecting a nominee request](#)

[ParentsNext eligibility and servicing](#)

[ParentsNext exits and exemptions](#)

Process

On this page:

[Considerations for Service Officers determining suitability for a Temp-Incap Serious Illness exemption](#)

[Considerations for Assessment Services staff determining suitability for a serious illness exemption instead of completing an ESAt](#)

[Identifying when a Temp-Incapacity Serious Illness exemption has been applied to a customer's record](#)

Considerations for Service Officers determining suitability for a Temp-Incap Serious Illness exemption

Step	Action
1	<p>Requirements for a temporary incapacity exemption + Read more ...</p> <p>Check if the customer meets all of the requirements for a temporary incapacity exemption:</p> <ul style="list-style-type: none"> • Does the customer have an incapacity which makes them unable to work, study or participate in another suitable activity including Workforce Australia (for 8 hours or more per week)? • Is the incapacity not caused by their drug and/or alcohol misuse (including dependency), that is, the primary medical condition listed by the medical practitioner is not drug or alcohol dependency (excluding CDP participants)? • Is the incapacity likely to be temporary? • Has suitable medical evidence been provided? <p>If the answer to all of the above is yes, go to Step 2.</p> <p>If the answer to any of the above is no, an exemption cannot be granted:</p> <ul style="list-style-type: none"> • code the medical certificate, and • consider alternative referral options <p>Procedure ends here.</p>
2	<p>Serious illness conditions + Read more ...</p> <p>Examples include, but are not limited to:</p> <ul style="list-style-type: none"> • cancer, including leukaemia • severe stroke • acquired brain injury • serious burns • coma • serious physical injuries requiring long recovery periods • severe mental health conditions for which the job seeker or participant is receiving treatment in an institutional setting <p>Does the job seeker have a serious illness?</p> <ul style="list-style-type: none"> • Yes, go to Step 3 • No, consider if a standard temporary incapacity exemption can be granted. See Assessing and coding medical evidence for temporary incapacity exemptions
3	<p>Intensive medical treatment or undertaking rehabilitation + Read more ...</p> <p>Is the job seeker undergoing and/or recovering from intensive medical treatment, or undertaking rehabilitation for the serious illness?</p> <ul style="list-style-type: none"> • Yes, go to Step 4 • No, consider whether a standard temporary incapacity exemption can be granted. See Assessing and coding medical evidence for temporary incapacity exemptions
4	<p>Medical condition is unlikely to improve + Read more ...</p> <p>Is it unlikely that the customer's medical condition will significantly improve during the period stated on the medical certificate?</p> <ul style="list-style-type: none"> • Yes, go to Step 5 • No, consider whether a standard temporary incapacity exemption can be granted. See Assessing and coding medical evidence for temporary incapacity exemptions
5	<p>Unreasonable physical and/or mental burden + Read more ...</p> <p>Would requiring the job seeker to obtain new valid medical certificates (or other suitable evidence) every 13 weeks create an unreasonable physical and/or mental burden or stress?</p>

- **Yes**, the Temp-Incap Serious Illness exemption can be granted. [Code the medical certificate](#). Make sure that the serious illness condition is coded as the primary medical condition
- **No**, consider whether a standard temporary incapacity exemption can be granted. See [Assessing and coding medical evidence for temporary incapacity exemptions](#)

Considerations for Assessment Services staff determining suitability for a serious illness exemption instead of completing an ESAt

Table 2

Step	Action
1	<p>Obtaining further evidence from the medical practitioner + Read more ...</p> <p>If during, or while preparing for, an Employment Services Assessment (ESAt) interview or post-MAT recommendation an Assessor believes that a Temp-Incap Serious Illness exemption is likely to be more suitable for a job seeker's circumstances than completing the ESAt, the Assessor may:</p> <ul style="list-style-type: none"> • contact the medical practitioner and record details of the conversation in a SA463 or SA479 • if appropriate, grant and code the Temp-Incap Serious Illness exemption <p>To determine whether the job seeker is potentially better suited to a Temp-Incap Serious Illness exemption, go to Step 2.</p>
2	<p>Requirements for a temporary incapacity exemption + Read more ...</p> <p>Check if the customer meets all of the requirements for a temporary incapacity exemption:</p> <ul style="list-style-type: none"> • Do they have an incapacity which makes them unable to work study or participate in another suitable activity, (for 8 hours or more per week)? • Is the incapacity likely to be temporary? • Has suitable medical evidence been provided? <p>Note: the SA463 or SA479 forms can be used to record further evidence provided verbally by a medical practitioner.</p> <p>If the answer to all of the above is yes, go to Step 3.</p> <p>If the answer to any of the above is no, an exemption cannot be granted. Complete the ESAt.</p>
3	<p>Serious illness conditions + Read more ...</p> <p>Examples include, but are not limited to:</p> <ul style="list-style-type: none"> • cancer, including leukaemia • severe stroke • acquired brain injury • serious burns • coma • serious physical injuries requiring long recovery periods • severe mental health conditions for which the job seeker or participant is receiving treatment in an institutional setting <p>Does the job seeker have a serious illness?</p> <ul style="list-style-type: none"> • Yes, go to Step 4 • No, an exemption cannot be granted. Complete the ESAt
4	<p>Intensive medical treatment or undertaking rehabilitation + Read more ...</p> <p>Is the job seeker undergoing and/or recovering from intensive medical treatment or undertaking rehabilitation for the serious illness?</p> <ul style="list-style-type: none"> • Yes, go to Step 5 • No, an exemption cannot be granted. Complete the ESAt

5	<p>Medical condition is unlikely to improve + Read more ...</p> <p>Is it unlikely that the customer's medical condition will significantly improve during the period stated on the medical certificate?</p> <ul style="list-style-type: none"> • Yes, go to Step 6 • No, an exemption cannot be granted. Complete the ESAt
6	<p>Unreasonable physical and/or mental burden + Read more ...</p> <p>Would requiring the job seeker to obtain new valid medical certificates (or other suitable evidence) every 13 weeks create an unreasonable physical and/or mental burden or stress?</p> <ul style="list-style-type: none"> • Yes, go to Step 7 • No, an exemption cannot be granted. Complete the ESAt
7	<p>Other factors to consider when determining if an ESAt is required + Read more ...</p> <ul style="list-style-type: none"> • Is an ESAt required to determine eligibility for Youth Disability Supplement (YDS) or independence (under 22)? • Does the job seeker have a recent Disability Support Pension (DSP) application which would likely be required to show participation in a Program of Support (POS)? • Is the job seeker currently suspended following a Did Not Attend result from a previous ESAt? <p>If the answer to all of the above questions is no:</p> <ul style="list-style-type: none"> • code the exemption • make sure that the serious illness condition is coded as the primary medical condition • procedure ends here <p>If the answer to any of the above question is yes, an ESAt is required. Complete the ESAt.</p>

Identifying when a Temp-Incapacity Serious Illness exemption has been applied to a customer's record

Table 3

Step	Action
1	<p>Identify job seekers granted the Temp-Incap Serious Illness exemption + Read more ...</p> <p>Job seekers or participants who have been granted the Temp-Incap Serious Illness exemption can be identified in the following ways:</p> <ul style="list-style-type: none"> • the Activity and Exemption Summary (AEX) screen will display an exemption code of ISI • the Medical Certificate (MC) screen will contain an S in the Incap exempt: field • the Medical Conditions Summary Screen (MCSS) screen will display an S in the Incap exempt: field • the Med Cert Accepted DOC will provide information including the decision to grant the Temp Incap - Serious Illness exemption
2	<p>Identify periods when a job seeker was previously exempt due to incapacity + Read more ...</p> <p>The Medical Certificate guided procedure and/or task will display information extracted from the Activity and Exemption Summary (AEX) screen. It will show previous periods where the job seeker or participant was granted an exemption for INP (Incapacitated (via the MC screen) and/or ISI (Temp Incap - Serious Illness).</p>

References

Policy

[Social Security Guide, 3.11, Mutual obligation requirements](#)

[Social Security Guide, 3.11.2, Job Plans](#)

[Social Security Guide, 3.11.5, Exemptions - overview](#)

[Social Security Guide, 3.11.5.10, Temporary incapacity](#)

[Social Security Guide, 3.2.7.50, YA study load - part-time students](#)

[Social Security Guide, 3.11.5.50, Exemption arrangements in ParentsNext \(for compulsory participants\)](#)

Legislation

Links to the Federal Register of Legislation site go to a 'Series' page. Select the 'Latest' version.

[Social Security \(Administration\) Act 1999, section 40L, Circumstances making it unreasonable etc. to comply with requirements](#)

Youth Allowance (YA)

[Social Security Act 1991](#)

- section 542A, Temporary incapacity exemption
- section 542BA, Time limit for incapacity exemptions - capacity to undertake activity

Agreements and arrangements

Services Australia deliver payments and services on behalf of other government agencies. A range of bilateral agreements and Bilateral Management Arrangements (BMA) governs our relationships with those agencies.

For more information, contact the [Services Australia relationships teams](#).

Training & Support

Add the course number to the **Search** field in the [Learning Portal \(LMS\)](#) in ESSentials:

- **CLK01431** - Job Seeker Snapshot and RapidConnect
- **CLK01432** - Job Plans, requirements and exemptions
- **CLK01200** - ParentsNext SDO Network
- **CLK01369** - Temporary incapacity exemptions