

# Memo

**To:** Football NSW Clubs

**Date:** Friday, 12 March 2021

**From:** Head of Competitions

**Pages:** 3

**Subject:** Update on Football NSW Personal Accident Insurance Program for 2021



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The purpose of this Memo is to provide Clubs with information about Football NSW's Personal Accident program for 2021.

There have been a number of enhancements to the program which are outlined below.

In 2021, covered participants will fall into one of the following three categories:

- Category 1: over 18 years of age at date of injury and engaged in playing, training or travelling to or from playing and training; or
- Category 2: over 18 years of age at date of injury and engaged in fundraising activities, administrative or organised social activities or unpaid voluntary work, or travelling to or from one of these activities; or
- Category 3: under 18 years of age at the date of injury and engaged in any of the activities outlined above.

As you may be aware, under our previous Personal Accident policy, a 'Loss of Income' benefit was payable to participants in certain circumstances.

Due to an ATO-imposed requirement for insurers to withhold PAYG tax on 'Loss of Income' benefit payments, our insurer (Chubb) has removed the 'Loss of Income' benefit for Category 1 participants (that is, for participants over 18 years of age at date of injury and engaged in playing, training or travelling to or from playing and training). The requirement to withhold PAYG tax was onerous and very expensive for our insurer and had the 'Loss of Income' benefit been retained for Category 1 participants, it would have ultimately led to significantly higher premiums being charged to Football NSW to allow the insurer to recover those increased costs.

**As most of your players will fall within Category 1, it is imperative that you advise them of this change and that you recommend to them that they consider their personal circumstances and decide whether it would be appropriate for them to obtain private health insurance and/or income protection insurance or any other relevant insurances. Attached to this Memo is a one-pager that we ask you to share with each of your players (and/or their parents). A copy will also be issued by Football NSW to all players via an EDM.**

As claims frequency is relatively low for Category 2 and Category 3 participants, Chubb has retained the 'Loss of Income' benefit for those two categories of participants and Chubb will continue to withhold PAYG tax in respect of those payments.

For Category 1 participants, the 'Loss of Income' benefit has been replaced with an 'Injury Inconvenience' benefit – a lump sum payment for defined injury types. The ATO does not require the withholding of PAYG on 'Injury Inconvenience' benefit payments.

Based on Chubb's assessment of our claims history, Chubb expects the 'Injury Inconvenience' benefit will be paid to more participants than the 'Loss of Income' benefit and many participants will in fact receive a higher amount. While some participants with longer term injuries would have received a higher amount under the previous policy, they will now receive a lump sum payment earlier and will be able to claim additional physiotherapy (discussed further below).

Other advantages of the 'Injury Inconvenience' benefit include that there is no waiting period/excess period and it will be simpler for participants to claim as they will not need to obtain and submit updated medical certificates to prove ongoing incapacity.

To ensure that Chubb's terms remained competitive and to understand whether there was an option to continue to provide a 'Loss of Income' benefit (if this was preferred), Gow-Gates sought terms from other insurers. Ultimately, only one other insurer elected to provide terms to Gow-Gates. That insurer's terms were competitive with those provided by Chubb, and the insurer was prepared to provide the 'Loss of Income' benefit,

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however, their additional claims handling fee made the cost of their programme significantly higher than the one offered by Chubb.

It should be noted that these changes affect all Football Australia Member Federations and are not unique to Football NSW.

Other significant (and positive) changes to the program include the following:

- The \$100,000 payment for paraplegia and quadriplegia has been increased to \$250,000 regardless of whether it occurs while playing/training or in another sanctioned activity. Previously, the benefit only increased to \$250,000 for injuries incurred while playing and training. Combined with the additional Capital Benefits policy that Football NSW introduced ahead of the 2020 season, the total benefit payable in the event of paraplegia and quadriplegia is now \$750,000 for all sanctioned activities.
- The \$350 cap on physiotherapy without surgery has been removed. A participant will now be able to claim up to \$5,000 in physiotherapy expenses in the non-Medicare section of the policy (which is up to \$5000 in total combined non-Medicare expenses) provided they obtain and submit a referral from their doctor for more than six sessions. This is a significant change and one that has been hard fought for by Football NSW and Gow-Gates as we have noticed that there are an increasing number of injuries which are now being managed with physiotherapy instead of by way of surgery (including some ACL injuries). Being able to provide additional physiotherapy benefits cover to participants who suffer such injuries is a significant improvement in terms of level of cover.

Gow-Gates advice is that these changes will ensure the long-term sustainability of the Football NSW insurance programme and provide injured participants with higher benefits, more quickly and with less administrative barriers to claiming.

#### **FAQs and Additional Insurance Information:**

##### **1. Can I claim reimbursement for the fees charged by my surgeon and anaesthetist?**

No, unfortunately the *Health Insurance Act 1973* (Cth) does not allow a policy of this type to cover expenses for which any Medicare rebate is made.

However, medical expenses for which there is no benefit payable by Medicare are still claimable. These include ambulance transport, physiotherapist, chiropractor, private hospital accommodation and dental, subject to policy limits and exclusions.

##### **2. Can I still claim physiotherapy and if so, how much can I now claim?**

Yes, physiotherapy is still a key claimable under the policy. The difference this year is that the previous \$350 limit on physiotherapy in the cases where surgery was **not** required has been removed and physiotherapy is now claimable up to the total non-Medicare medical benefits limit of **\$5,000** whether there is surgery involved or not. The only additional requirement now for claiming ongoing physiotherapy treatment is that after every six visits with your physiotherapist, the ongoing treatment must be certified by a Doctor or Specialist as still being necessary.

##### **3. Are dental and optical injuries covered under the FNSW Personal Accident insurance policy?**

The 2021 Personal Accident policy remains the same as prior years for dental and optical injuries.

##### **4. When the Football NSW Personal Accident policy refers to a referral by a Doctor, can this be referral by an Accident and Emergency doctor or does it need to be a GP?**

An A&E doctor or GP are both acceptable referrers. For dental the Insurer will accept a referral from a dentist or surgeon who is registered or licensed to practice dentistry under Australian Law. For optical, a referral from an Ophthalmologist is acceptable. A referral from an Optometrist is not acceptable.

##### **5. Can players “opt in” to a higher level of services and cover if a player wishes to take additional cover?**

Additional insurances, such as Income Protection Insurance for Category 1 participants and a higher level of Loss of Income Benefit for eligible participants (i.e. Category 2 and 3 participants), can be purchased and obtained on an individual basis via Gow-Gates. The Gow-Gates website will be updated soon with information about this additional cover and enquiries can be sent to [sport@gowgates.com.au](mailto:sport@gowgates.com.au).

**6. What is the additional iCare insurance that covers players and coaches registered in Football NSW State Leagues?**

Football NSW covers all players and coaches registered in FNSW State Competition Leagues (NPL Men's, NPL Women's, NPL Youth, AYL, SAP and GCL) with the iCare - NSW Sporting Injuries insurance. The iCare insurance provides lump sum capital benefits for permanent injury and death, subject to policy terms and conditions. It does not cover minor injuries such as breaks, sprains, abrasions, cuts, bruises or dental injuries.

**Useful Documents:**

Please find **attached** a document including the following useful documents:

1. 2020 v 2021 Personal Accident Policy Comparison;
2. Scenarios;
3. Personal Accident Policy Overview (Category One - players aged 18+);
4. Personal Accident Policy Overview (Category Two – administrators aged 18+); and
5. Personal Accident Policy Overview (Category Three - players and administrators aged under 18).

For further information regarding the Football NSW Personal Accident Insurance Program, please visit [www.gowgatessport.com.au/football/nsw/](http://www.gowgatessport.com.au/football/nsw/).

For further information and assistance about insurance, please contact Michelle Hanley at Football NSW on 02 8814 4402.

Regards,



Troy McColl  
**Head of Competitions**