





TABLE OF CONTENT

- 1. About RMA
- 2. Understanding compensation
- 3. Registering with RMA's online client portal
- 4. Annual policy renewals
 - a. Submitting earnings
 - b. Paying premiums
 - c. Letter of Good Standing
- 5. Reporting accidents
- 6. About the COID benefits
- 7. Managing your claim
 - a. Supporting documents
 - b. Medical reports
 - c. Claim number
 - d. Accepting liability
 - e. Accident earnings
 - f. Calculating compensation benefits
 - g. NIHL claims
 - h. Multiple person accident
 - i. Employees injured while working abroad
 - i. Re-opening a claim
 - k. Appeals and objections
- 8. Medical expenses
- 9. Additional insurance products
- 10. Training
- 11. Class IV and Class XIII subclasses
- 12. List of permanent disablement percentages
- 13. List of occupational diseases
- 14. Important contact details



1. About RMA

For over 120 years, we have been handling the administration of benefits and claims for occupational injuries and diseases, which we do in accordance with the Compensation for Occupational Injuries and Diseases Act (COIDA). For us a claim is not just a claim and we go beyond what is required of us by the law to ensure the needs of our claimants are taken care of. We are passionate about caring for their lives and those of their families, and so embody our brand promise of **caring, compassionate, compensation**.



Under COIDA, our mandate is to:

- Administer and underwrite compensation benefits
- Manage compensation claims from end-to-end
- Risk rate employers and collect premiums
- Manage pensions
- Offer after care to injured employees

Who is covered by RMA?

Class IV

These employers belong to the mining and mining related industries.

Class XIII

These employers belong to the iron, steel, artificial limbs, galvanising, garages, metals and related industries

The sub-classes that fall within Class IV and Class XIII can be found on page 39-40 of this booklet

2. Understanding Compensation

South Africa is one of the countries that has legislation in place to protect workers, COIDA. According to this Act, all employers are compelled to pay a premium in case of injuries or diseases that happen in the workplace, at no cost to their employees. The benefit is not there to make your employees better off, but rather to compensate them for their loss of income if they are injured or fall ill as a result of doing their work.

What is an occupational accident?

This is an event that arises out of and in the course of employment and results in injury, illness or even death.

What is an occupational injury?

This is the term for an injury that is the result of an accident related to the employee's work. These are the injuries covered under COIDA.

What is an occupational disease?

These are illnesses that are caused by the handling of, or exposure to, substances or agents in the workplace. It may take some time for a disease to become noticeable. The right to claim however does not expire with a change of jobs or with time.

An accident arising out of and in the course of employment This means that the injury or illness must be directly related to the employee's job in order to qualify for COID benefits.

- "out of" means the accident arises out of his or her employment if the accident is causally connected to the employee's duties e.g. whilst walking the employee slipped and fell.
- "in the course of" means that the accident must have occurred while the employee was busy with their work-related activities.

A full list of diseases that are covered under Schedule 3 of COIDA can be found on page 39-40 of this brochure

The type of work, degree of risk, and type of exposure are considered when making a liability decision on occupational diseases.

What is required from you as an emplover?

As an employer in South Africa vou have a legal obligation to cover your employees for worker's compensation. This requires you to:

- be registered with RMA
- submit earnings
- pay premiums
- report accidents

Who is an employer?

Any person who employs an employee. This also includes the State, labour brokers and any person controlling the employer's business. The employer pays premiums to RMA in return for cover of their

injury or disease. The employer may not deduct any money from an employee's salary or wages towards these premiums.

Who is an employer?

An employee is any person who has entered into a contract of service with the employer, and includes:

- Permanent employees
- Temporary employees
- **Apprentices**
- Learners or interns undergoing a learnership or internship respectively
- Casual employees
- Workers supplied by a labour broker



3. Registering with RMA's Online Client Portal

RMA has streamlined its registration process through a self-help portal that allows for convenient and efficient online registration. This is available through the Online Services section of our website.

Benefits of registering on the client portal:





4. Annual policy renewals

You are required to renew your COID policy, and any other policy you may hold with RMA, annually. In order to renew your policy, you are obliged to:

- Submit actual and estimated earnings
- Pay the required premiums

Once these requirements have been met, a Letter of Good Standing (LOGS) is issued. The renewal dates differ for Class IV and Class XIII. Client engagements take place ahead of each renewal period, allowing for questions and enquiries to be addressed.

1. Submitting earnings

You are required to submit earnings for all your employees as follows:

- Actual earnings: These are your actual payroll costs of all employees from the previous policy year.
- Estimated earnings: These are the forecasted earnings for the all employees that you expect to employ during the current policy year.

The submission of earnings is important as we use this information to determine premiums.

EARNINGS SUBMISSION DEADLINES



Class (IV

Class (XII

Actual: 31 January Estimates: 30 June Actual:
31 March
Estimates:
31 March

We encourage you to avoid the rush and declare your earnings well in advance of the deadline. This will help you to ensure that you get your LOGS timeously before your previous one expires.

How do I submit earnings?

You can submit earnings through our online client portal which is available through the Online Services section of our website.

THE SUBMISSION OF EARNINGS IS ALSO REFERRED TO AS:

- return of earnings (ROEs)
- declaration of earnings

Can I make an adjustment to the earnings during the year?

No adjustments to earnings are processed during the year unless it is material to the number of employees covered

Do I need to declare earnings for employees working abroad?

Only employees who are temporarily employed abroad (less than 12 months), but who are generally employed within South Africa, are covered when they are injured. Therefore, staff who are permanently employed abroad (more than 12 months) should not be included in your earnings declarations as they

will not be covered for injury. Talk to us if you have employees who are abroad for longer than 12 months as we have a separate solution available for you.

What if my company is classified as Class IV or Class XIII, but I have employees who fall within another class of business?

In cases where there are multiple classes of business within one company or operation, the dominant business will apply.

What do I do if my company has been incorrectly classified?

Re-classification can be applied for with the Compensation Fund. Once this has been completed, supporting documents must be sent to RMA so that we may update our records.

What if there is a variance between the estimated and actual earnings for a given policy period?

If there is a variance, we request a copy of your audited payroll report for that policy year to support the variance. This report should be sent to declarations@randmutual.co.za.

What if I don't submit earnings for my company?

Penalties are applied for nonsubmission as follows:

Class IV

- CPI adjustment is made to the previous year's actual earnings if estimated earnings are not received by 30 June.
- Penalty applied from 1 February if actual earnings are not submitted by end 31 January.

Class XIII

 Penalty applied from 1 April if either actual or estimated earnings (or both) are not submitted by 31 March.

2. Paying premiums

Your company is issued with an invoice reflecting the premium you are required to pay. Premiums are calculated as follows:

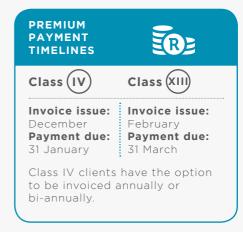
Premium = Last submitted earnings + inflationary increase x assessment rate

COID premiums are VAT-free, however, all other insurance products attract the standard 15% VAT

How is the rate determined?

This is broadly based on the risks associated with the type of work being done in your industry. The rate is however also individually determined each year based on your company's claims experience for the past three years.

As Class XIII was transferred to RMA in 2015, no industry rate has yet been determined and so each company is assessed individually on their claims experience.



When is my rate available?

Class IV: From 1 November

Class XIII: From 1 February (once earnings have been submitted online)

Why is the RMA rate different to the rate released by the Compensation Fund?

As we are licenced by the Department of Labour to administer COID benefits for Class IV and Class XIII, we are required to determine these rates as part of our administration responsibilities. If gazetted rates are different to ours, then our rates prevail.

Can I request payment terms?

Yes, you can make payment arrangements once you have submitted your actual and estimated earnings. To apply please send a motivational letter from the company's financial officer to our Contact Centre stating the estimated monthly instalments (not exceeding the premium period) and the date on which payment is expected to be paid monthly.

Can I pay by debit order?

A debit order facility is available for approved term arrangements with RMA. Please use your RMA member number as a reference. You will need to submit confirmation of banking details and a completed debit order mandate authorising RMA to debit money from your account.

Why would I receive a second invoice from RMA?

If there is a variance between the estimated earnings that you submitted at the beginning of the policy period and the actual earnings that you submitted at the end of the period, an adjustment is made to the premium and an invoice generated. The adjustment may lead to either a credit with RMA or a settlement required from you.

Does RMA charge interest?

Yes, interest is charged on all overdue balances and is calculated as follows.

Balance due x Prime rate x $\frac{\text{average days per month (30)}}{\text{number of days per year (366)}}$



3. Letter of Good Standing

Once you are fully up to date with submitting earnings and paying premiums, your LOGS will be available for download from our on-line client portal.

Depending on your payment method your LOGS will be available for download:

- Cheque: after 7-14 working days
- EFT: after 3 working days

OBTAINING YOUR LOGS

- Part Payment = No LOGS
- No Payment = No LOGS
- Payment plans = Monthly LOGS
- Full Payment = Annual LOGS

4. Reporting Accidents

What is my responsibility as an employer if my employee is injured or contracts an occupational disease?

It is your responsibility as an employer to always have someone available who knows what to do, who to phone and how to immediately report the accident to us. All employers have a duty to ensure that their employees receive immediate and appropriate treatment following an accident. We therefore encourage you to get to know the ambulance services, hospitals, emergency rooms and doctors in your area and to have the appropriate contact details easily accessible.

You may want to enter into an arrangement with the healthcare providers in your area to ensure that your employees are treated without delay when they get injured. You should inform the healthcare providers that your employees are covered by RMA for occupational injuries and diseases, and that as soon as we accept liability for a claim (usually within four days), medical expenses are paid within seven days of receiving the medical invoice provided all the required medical reports and documents are in order.

Please be aware that you as the employer will be responsible for all medical costs until RMA has accepted liability for a claim.

When to report an accident

An employee or a witness must report the accident to your dedicated HR, payroll or health and safety representative as soon as possible after it has occurred.

You are required to report the injury or disease to RMA as follows:

- Occupational injuries: within 7 days of injury
- 2. Occupational diseases: within 14 days of diagnosis.

You need to report the accident even if it is after the prescribed time. If the accident is not reported within 12 months of it happening, the injured employee will receive no benefits.

What should be reported?

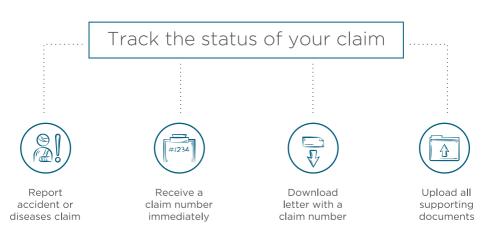
All work-related injuries on duty, no matter how minor, need to be reported, including:

- minor lacerations
- minor scratches and cuts
- contusions
- abrasions

How to report an accident

You can report accidents on our online client portal available at www. randmutual.co.za to which you have 24/7 access.

Report accident or diseases claim





What if I delay the reporting of an accident?

Reporting delays have a serious impact on the claiming and payment process, leaving your injured employees out of pocket due to payment delays. These are just some of the challenges from delayed reporting:

- Delays in payment to healthcare providers, could cause them to turn away injured employees in future;
- Delays in payment to injured employees, can leave them out of pocket when they need it most;
- Delays in compensation to beneficiaries of a deceased employee;
- Black listing of the injured employee; and
- Escalation of costs per claim.

Please remember that reporting delays have consequences in the compensation claim chain and ultimately can hinder your employee from being assisted, treated and paid when they need it.

Accidents must be reported within 12 months for the injured employee to receive compensation benefits. If an accident is reported after 12 months of the accident date, there is no benefit available.

If an employee believes that their employer has not reported the accident, they may approach RMA directly and we will contact the employer to confirm the accident.

5. About the COID benefits

What benefits are employees entitled to?

Similar to other insurance products, benefits are not automatic. Once the details of the accident have been reported to RMA, there is a review to ensure that what has occurred is covered under COIDA. If it is, RMA will accept liability and compensate according to the appropriate benefit.

There are four main types of benefits:

- Medical expenses
- Temporary disablement benefits: Temporary Total Disablement (TTD) and Temporary Partial Disablement (TPD)
- Permanent disablement benefits
- Death benefits

How these benefits are calculated is included in the claims section of this brochure.

Benefits are subject to a minimum and maximum compensation amount. These amounts are determined by the Department of Labour and are adjusted annually, you can view them in the COID benefit limit brochure available here. http://www.randmutual.co.za/Downloads

Should you want to top up the compensation benefits for your staff, talk to us about our Augmentation product.



SUMMARY OF BENEFITS FOR A

WORK-RELATED INJURY OR DISEASE





Injury or disease



Treatment
All medical expenses are paid for



Off from work



Temporay Total Disablement benefit (Days-off compensation)



Ongoing medical treatment until condition has stabilised



Doctor assesses permanent disablement %



30% or less Lump sum benefit



More than 30% **Pension benefit**

Medical Expenses

All reasonable medical expenses related to the injury or disease will be paid for, including:

- hospitalisation costs;
- medical treatment (including doctor and specialist costs); and
- medicine.

These benefits are paid to a maximum of the COIDA tariff. If it is a work related injury, no co-payment is ever required.

Temporary Total Disablement Benefits

TTD benefits are payment for the employee's days off work while injured. TTDs are paid if the employee is:

- off work for more than three consecutive days;
- undergoing medical treatment; and
- booked off by the treating doctor either by means of a medical report or a sick note for more than three consecutive days.

Depending on how long the employee has been booked off for, you as the employer will pay the employee for the first three months that they are booked off work from the date of the accident. Once we have accepted liability for the claim, you are reimbursed from the date of the accident. The benefit amounts are updated annually by the Minister of Labour.

Temporary Partial Disablement Benefits

TPD benefits are paid when the injured employee is temporarily unable to perform their usual work but can still work at a reduced level. Since the condition is temporary and the employee is expected to fully recover, compensation is based on the difference between the two earning levels for that period. TPD benefits are managed in a similar way to TTDs.

A TEMPORARY TOTAL DISABLEMENT (TTD)

benefit is also known as:

- · days off benefit
- income replacement benefit

The benefit is paid at 75% of the employee's normal salary. TTD payments are tax free.

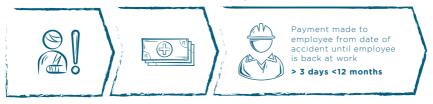
The TTD payment will stop when the employee:

- resumes the same work they were doing before they were injured;
- resumes any other work at the same or higher pay than before they were injured; or
- is awarded permanent disablement

TTD Process

Date of Accident

Employee Back at Work



Employer pays Employee TTD = up to 3 months

If RMA accepts liability emploer is reimbursed



Permanent Disablement Benefits

There are two ways in which compensation for permanent disablement is handled:

- If the employee has a permanent disablement award of between 1% and 30%, a lump sum is paid
- If the employee has a permanent disablement award greater than 30%, then they will receive a monthly pension which is a portion of their earnings at the time of the accident

How much the employee is compensated depends on their:

- permanent disablement award
- accident earnings

A permanent disablement award is an assessment of the employee's injury once it has stabilised after having received ongoing treatment. The injury is assessed by their treating doctor to understand the degree to which they are disabled, which is set out in the Final Medical Report.

It is also known as an impairment award or PD award and is expressed as a percentage.

How permanent disablement is awarded for different injury types is set out in Schedule 2 of COIDA and is listed at the back of this booklet on page 41-42.

Death Benefits

If an employee dies as a result of their injuries or disease, the following benefits are payable to their beneficiaries:

- Once-off lump sum payment to their spouse;
- Monthly pension to their spouse;
- Monthly pension to their children, payable until the age of 18 years;
- Once-off funeral benefit

It is important to note that if an employee dies at a later stage of their occupational injury or disease, their family must provide us with a medical report to prove that the cause of their death was directly related to the original injury or disease in order for benefits to be paid.

If the employee dies from other causes that are not a result of their occupational injury or disease, no further benefits are payable.

6. Managing your claim

Once you have reported an accident through our online client portal, a claim number is auto-generated and is emailed to the registered email address. Your claim then goes through the following process, and you can follow the status of the claim online.



Employer completes an Accident or Disease Report Form (http://www.randmutual.co.za/Downloads), including accident earnings, and keeps on file for record purposes.



Healthcare Provider submits First Medical Report once employee has received medical treatment within 14 days of date of treatment.



RMA will acknowledge and adjudicate the claim. If liability has been accepted, we will pay the healthcare provider for the medical treatment.



Healthcare provider to submit progress reports during treatment.



Employer submits TTD claim via the online client portal. To be submitted with a medical report and/or sick note from the treating doctor.



RMA refunds employer for TTD claims.



Employer continues to submit TTD claims for the duration of the injured employee's medical treatment.



Once the injury has stabilised the healthcare provider submits a Final Medical Report to RMA.



Based on the Final Medical Report and the permanent disablement assessment, RMA calculates the permanent disablement award and pays compensation to employee

What supporting documents do I • Incident reports or need to submit for a claim? • Incident reports or statements by safe

- Declaration of accident earnings;
- Copy of certified ID/ passport document of injured employee;
- Banking details of the injured employee;
- Sick note or medical certificate for TTD benefits;
- First Medical Report;
- Progress Medical Report (for any ongoing treatment);
- Final Medical Report (at the end of treatment when the injury has stabilised);

- Incident reports or statements by safety officers or occupational health practitioners (if available); and
- RMA may request additional supporting documentation (e.g. radiology reports, scans, pre- and post-operation reports, photos, employee's payslips etc.), depending on the individual circumstances of the claim.

All supporting documents can be uploaded online on our client portal.



What are medical reports and how are they submitted?

After an accident, the injured employee will visit a healthcare provider for treatment of the injury or disease. The treating doctor then submits a **First Medical Report** directly to us after the treatment. This report guides us in understanding the extent of the injury or disease and what treatment and benefits are required.

The injured employee usually needs additional treatment until their injury stabilises. The treating doctor needs to submit a **Progress Medical Report** for each consultation and treatment.

If the injured employee is referred to an allied health professional such as a physiotherapist, chiropractor, occupational therapist, biokineticist or dietician etc., we need the following documents:

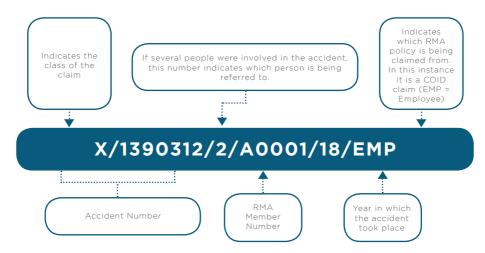
- a referral letter from the treating doctor:
- a treatment plan (which must be pre-authorised); and
- a medical report from the allied professional at the beginning and end of the treatment regime.

While the treating doctor usually submits the medical reports directly to us, should they submit these to you as the employer or to the injured employee, these will need to be uploaded onto the online client portal as part of your supporting documents.

If there is no medical report, the healthcare provider's medical invoice cannot be paid for that service date.

A **Final Medical Report** is submitted by the treating doctor once the injured employee has reached a state where their condition cannotz be improved any further, or when a treatment plateau is reached in their healing process. This is known as maximum medical improvement (MMI). It can either mean that they have fully recovered from their injury or that their medical condition has stabilised to the point that no major medical or emotional change can be expected in their condition. At this point it is believed that no further healing or improvement will take place even if continuing with medical treatment or participating in rehabilitative programmes.

Understanding your claim number



How do I know if RMA will pay my claim?

A claim is not a guarantee of payment and only once liability has been accepted by RMA will a claim be paid. The below outlines the type of information that is needed for us to make a liability decision on a claim.

- Personal details of injured employee, including:
 - » ID Number:
 - » Cellphone number; and
 - » Company/Employer Number.
- A First Medical Report confirming the injury and how it relates to the work of the employee.
- Accident earnings:
 - » An average of six months earnings prior to the date of the accident;
 - » Basic earnings;
 - » Variable earnings; and
 - » Non-variable earnings.
- Where necessary, we may request proof of earnings

Accepting liability

Once we are happy that a claim is a legitimate compensation claim according to COIDA, and that it meets our conditions, we accept liability for the claim. This means that we accept to pay the claim in line with the COID benefits. Only once we have accepted liability can the claim be processed, and benefits paid to the injured employee.

Sometimes we need to investigate an incident further before we can make a liability decision on a particular case. Only once a liability decision has been made, and liability has been accepted, can benefits be paid. If liability is not accepted, the employer or employee will be responsible for payment.



What are Accident Earnings?

Earnings are a key component of the compensation process and are used to determine compensation for TPDs, TTDs, permanent disablement and to compensate dependants in the event of the employee's death.

Which earnings are included and excluded for compensation purposes?

- 1. Accident earnings include:
- The monthly earnings paid by the employer:
- Food or quarters supplied by the employer:
- Overtime payments for regular work that is ordinarily performed;
- Bonuses: and
- Any allowance of a regular and constant nature.
- Accident earnings exclude:
- Payment for intermittent overtime:
- Payment for non-recurrent occasional services:
- Amounts paid by an employer to an employee to cover any special expenses; and
- Ex-gratia payments whether by the employer or any other person.

Accident earnings

is the term used for the average monthly amount that an employee received over the six months before their accident

It includes their salary, regular overtime payments and any other regular payment (for example for food or housing. or your bonus).

When calculating accident earnings, the employee's variable and non-variable earnings are taken into account and need to be included when reporting an accident.

What are variable and nonvariable earnings?

1. Non-variable earnings

These are consistent earnings, including:

- the employee's basic salary;
- · any housing allowances; and
- any annual or incentive honuses

It is important here to note that:

- (i) If the employee's basic salary fluctuates or is increased during the six-month period that has already been declared as part of the annual renewal process, then an average must be calculated for the six months' basic salary.
- (ii) Annual and incentive bonuses) must be divided by the number of months for which they are payable. For example:

If paid	Then divide by
Annually	12
Bi-annually	6
Quarterly	3

This is then the amount that is declared per month.

For example:

Annual bonus: R5000 + 12 = R416,66 is the monthly portion of this bonus

This is the amount placed in the annual bonus field when completing the Accident or Disease Report Form. (rma/ downloads/employerdocuments)

2. Variable earnings

These are less consistent earnings and include the cumulative allowances the employee received during the six months before the accident. These allowances can include:

- overtime pay
- production bonuses
- attendance bonuses
- safety bonuses etc.

The cumulative amount, which is established by adding the employee's variable earnings for the six month period, is then divided by six to determine the amount to be declared as variable earnings.

For example:

Safety bonus (R1500) + production bonus (R1000) + overtime (R6650) = R9150 (cumulative total for six months)

R9150 + 6 = R1525 (Average variable amount per month for six months)

Earnings for employees younger than 26 and apprentices

If an employee is under the age of 26 or is working as an apprentice at the time of the accident, earnings are calculated on future earning potential.

In the case of an apprentice, the calculations are based on the earnings of a recently qualified person or a person in the same occupation, trade or profession with five years' experience, whichever is more favourable to the employee.

Similarly, in the case of an employee under the age of 26, their earnings are based on the earnings that a person of 26 years would normally have been entitled to if performing the same work as the employee at the time of the accident

Alternatively, the calculations are based on the earnings of an employee in the same occupation, trade or profession with five years' experience, whichever calculation is more favourable to the employee.

Calculating compensation benefits

1. TTD (days off) benefits

A TTD benefit is an income replacement benefit paid to an employee for his days off work while injured, or while recovering from injury.

You as the employer are liable for the TTD payment for the first three months from the date of the accident. Once RMA has accepted liability for the claim, you are reimbursed. This is done by submitting TTD claims with the supporting medical report or sick note on the online client portal. The medical report or sick note must include the following information:

- The period that the injured employee is booked off work; and
- The date on which the employee is expected to return to work.

Payments to the injured employee continue for the duration of the treatment but should not continue for more than 24 months.

TTD Payment scenarios

The standard formula for calculating TTDs below is based on monthly paid salaried employees. However, we have included additional payment scenarios and formulas to help you to better understand how this benefit is calculated for wage employees.

· Formula for monthly paid employee

Accident earnings \times 75% + 30.3333 \times number of days off = TTD benefit

Example: Accident Earnings = R10 000

R10 000 x 75% = R7 500 + 30.3333 = R247.25 X 30 Days Off = R7 417.5

Formula for fortnightly paid employee

Fortnightly rate \times 2.1666 \times 75% + 30.3333 \times the number of days off = TTD benefit

Example: Fortnightly rate = R5 000

 $R5\ 000\ \times\ 2.1666$ = $R10\ 833\ X\ 75\%$ = $R8\ 124.75$ + 30.3333 = $R267.84\ X\ 30$ Days Off = R8035.47

· Formula for weekly paid employee

Weekly rate \times 4.3333 \times 75% + 30.3333 \times the number of days off = TTD benefit

Example: Weekly rate = R1 500

R1 500 x 4.3333 = R6 000 X 75% = R4 874,96 $\,$ 30.3333 = R160.71 X 30 Days Off = R4 821.39

· Formula for hourly paid employee

Weekly rate \times 4.3333 \times 75% + 30.3333 \times the number of days off = TTD benefit

Example: Hourly rate = R40.00

R40 x 320 hours worked = R12 800 X 75% = R9 600 30.3333 = R316.48 X 30 Days Off = R9494.51

2. Permanent Disablement Benefits

If an employee is under the age of 26 or is working as an apprentice at the time of the accident, earnings are calculated on future earning potential.

HOW WE CALCULATE YOUR

PERMANENT DISABLEMENT BENEFITS





a. Lump Sum Payment

An employee whose permanent disablement award is between 1% and 30% receives a permanent disablement benefit in the form of a lump sum. How much the claimant receives depends on:

- the degree (percentage) of their disability (a full list of the permanent disablement percentages are set out in Schedule 2 and can be found at the back of this guide on page 41-42); and
- their accident earnings.

This benefit is calculated once the injured employee has been assessed and the Final Medical Report has been submitted.

Formula: Accident earnings x 15 x disablement award $\% \div 30$ = permanent disablement lump sum benefit

For example:

Lerato was earning R9 500 at the time of his accident. He lost his index finger and was assessed with a permanent disablement award of 10%.

His lump sum payment is calculated as follows:

Multiply the employee's accident earnings by 15

Multiply by the disablement award %

Divide the answer by 30

 $R9500 \times 15 = R142500$

R142 500 x 10 = R1 425 000

R1 425 000 30 = R47 500

Lerato will receive a once-off lump sum payment of **R47 500**.

b. Permanent Disablement Pension

A monthly pension is paid for all permanent disablement awards greater than 30% and is payable for the rest of the life of the disabled employee.

Formula: Accident earnings x 75% x PD% = monthly pension benefit

Thando was earning R12 000 at the time of her accident. She lost her right hand and was assessed at a permanent disablement award of 50%.

Her monthly pension is calculated as follows:

Multiply accident earnings by 75%

Multiply by the percentage of permanent disablement (in this case it is 50%)

$$R12\ 000\ x\ 75\% = R9\ 000$$

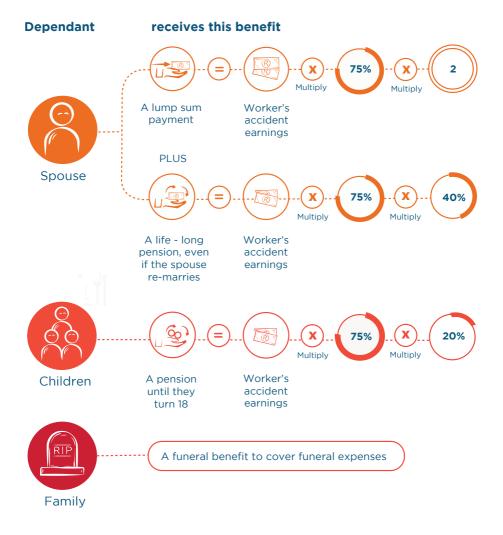
Thando will receive a monthly pension of R4 500 from RMA for the rest of her life.

3. Death benefits

If the employee dies in a work-related accident or as a direct result of their work-related injury or disease, benefits are payable to their dependants.

HOW WE CALCULATE THE

DEATH BENEFITS



For example, Simphiwe was earning R8 000 a month at the time of his death. He left behind a wife and three minor children.

The benefits that his dependants will receive, include:

• **His wife** will receive a lump sum of R12 000 and a monthly pension of R2 400.

The lump sum is calculated as follows:

- » Simphiwe's accident earnings at the time of his death was R8 000 (75% of his accident earnings is R6 000).
- » His wife will receive double this amount. That is R6 000 x 2 = R12 000.
- » The monthly pension is calculated as follows:
- » Simphiwe's accident earnings at the time of his death was R8 000 (75% of his accident earnings is R6 000).

A **spouse** can be married to the deceased under civil or indigenous law to qualify for the death benefit

If there are more than one spouse with a valid marriage certificate, they share the death benefit

If there is no spouse with a valid marriage certificate, a life partner who has been living with the deceased as husband or wife can qualify to receive the death benefit.

- His wife will receive 40% of R6 000 per month. That is R6 000 x 40% = R2 400. She will receive this pension for the rest of her life, which is subject to annual increases as determined by the Department of Labour.
- His children will receive R1 200 per month until they turn 18.

Their monthly pension is calculated as follows:

- » Simphiwe's accident earnings at the time of his death was R8 000 (75% of his accident earnings is R6 000).
- » Each child will receive 20% of R6 000 per month. That is R6 000 x 20% = R1 200.
- Simphiwe's dependants will receive a fixed funeral benefit. Every year, the Minister of Labour publishes the amount for that year in the Government Gazette.

Child's pension benefit

This benefit is payable to each minor child until the month in which they turn 18 years. Where there are more than three children, the 60% (i.e. $20\% \times 3$) is divided equally by the number of children.

A child may apply to RMA for a pension extension beyond 18 years under the following circumstances:

- If the child is unable to earn an income due to a physical or mental disability;
- If the child is still at school; or
- If the child is studying at a tertiary institution.

Who qualifies as a 'child'?

- The biological child of the employee or their spouse
- Step child of the employee
- A legally adopted child
- Child born out of wedlock

All younger than 18.

The extension of a child's pension is discretionary, and RMA will assess the merit of each case individually. If the child dies or marries before the age of 18 years, their benefit ceases.

How do I manage a Noise induced hearing loss (NIHL) claim?

NIHL is the most prevalent occupational disease within the industries that we serve. It is permanent hearing loss caused by prolonged exposure to high levels of noise and damage to the inner hear. Your employees working in a loud noise environment should always have a baseline audiogram at the start of their employment so that you understand how good their hearing is before exposure.

In order to claim for NIHL, you need to prove:

- the degree and type of hearing loss by means of a diagnostic audiogram;
- that the employee is exposed to excessive noise in the workplace.
 The employee / employer must prove that the noise is greater
 than 85 decibels over an eight-hour day or 40-hour week. The
 higher the intensity of the sound, the less exposure time is needed
 for NIHL to occur:
- that the employee's hearing has deteriorated from when they first started working in a noise zone by means of the initial baseline audiogram; and
- that the type of hearing loss is due to noise exposure and not the various other causes of hearing loss as confirmed in a medical report.

The following supporting documents need to be submitted for an NIHL claim:

- Two diagnostic audiograms conducted on the same day with a reasonable break between the two audiograms. These should only be conducted after 24 hours of the employee having been removed from the noisy environment;
- The baseline audiogram;
- A copy of an ID document or passport;
- Attestation of proof of identity completed by the Audiologist or ENT specialist;
- A fully completed Record of Service form (http://www.randmutual.co.za/Downloads), documenting the noise level exposure for each of the employee's occupations or positions during his/ her working career if the employee has not been exposed to noise, this should also be recorded as such;
- Medical report compiled by the occupational medical practitioner

 this is the doctor responsible for the occupational health
 examinations of the company's employees; and
- If the percentage hearing loss is greater than 30%, the employee
 is to be seen by an ENT (ear/nose/throat) specialist. The ENT
 specialist is to include in the first medical report the full medical
 history of the employee, such as treatment with ototoxic drugs,
 ear surgery and otitis media.

How do I claim if several people were involved in the same occupational accident?

A multi-person event is an accident in which a number of people are injured or contract a disease in the workplace as part of the same event.

For example, if 50 people are injured in one event, when reporting this to us, you only need to report, and describe this, as one event. All 50 injured employees will then be linked to that event through the claim number. While the event will encompass all the injured employees, each employee will have an independent claim and claim number i.e. there will be 50 claim numbers and each of the 50 employees will have their own unique claim number, as follows:

Employee 1 - claim number: X/1491234/1/F0007/2015/EMP Employee 2 - claim number: X/1491234/2/F0007/2015/EMP

(Continues as above for all 50 employees)

Employee 49 - claim number: X/1491234/49/F0007/2015/EMP Employee 50 - claim number: X/1491234/50/F0007/2015/EMP

How do I claim for an employee working abroad?

Employees who are usually employed within South Africa but who are injured while temporarily employed outside of the country, are covered.

The employee will be covered if:

- the injured employee was temporarily employed outside the country;
- the injured employee was not working beyond the borders of South Africa for a continuous period of 12 months or more;
- the company's business operates chiefly in South Africa; and
- the employee is ordinarily employed in South Africa.

The compensation amount will be based on the earnings they would have received had they remained in South Africa.

As the employer, you will need to cover all medical costs incurred while the employee was outside of the country. These costs will be reimbursed at South African COIDA tariffs once we accept liability for the claim and receive proof of payment of these medical costs.

We request that you keep a record of all medical documents relating to employee's treatment.

As the employer you are expected to inform us when your employees work abroad. This can be done by completing a Record of Employee/s Working in a Foreign Country Form (https://randmutual.co.za/Downloads), which should be accompanied by a copy of their contract of employment, detailing the working arrangement whilst working outside the country.

Please inform us if you have taken out any additional occupational injury insurance cover. If so, please let us know:

- Name of the insurer:
- Policy schedule; and
- Cover period.

Talk to us should you require cover for employees working abroad for longer than 12 months.

Can a claim be re-opened?

Occupational injury or disease claims are usually finalised once the injury has stabilised after ongoing treatment. If a claim has been finalised but the employee needs further medical treatment, the claim can be re-opened for specific treatment. For a claim to be re-opened, there must be proof that it is related to the original work-related injury or disease. A re-opened claim must be pre-authorised by the treating doctor and the objective of the requested treatment should be focussed on further reducing the impairment.

When will a compensation claim not be paid?

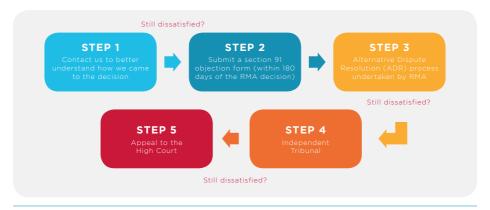
Claims can only be paid if they are submitted in the correct way within the defined time limit. A compensation claim will not be paid if:

- the claim is submitted more than 12 months after the injury or death, or more than 12 months after the disease is diagnosed;
- the employee was off work for three days or less. While TTDs and permanent disablement may not be paid, medical costs will be paid;
- the accident or injury is a result of an employee's wrong doing or misconduct, unless the employee was seriously disabled or died as a result of the accident; and
- the employee unreasonably refuses to have medical treatment.

What if my employee is dissatisfied with their compensation benefits or their repudiated claim?

Claims and benefits paid to injured employees are administered in accordance with COIDA.

If the injured employee feels that their claim has been incorrectly assessed or repudiated, you should follow the below process:



7. Medical Expenses

Once the doctor has treated the injured employee, they will usually submit a medical invoice directly to RMA. If we have accepted liability on the claim, we will pay the doctor directly based on the medical report. Should the doctor invoice you as the employer, or the employee, please include this as part of the supporting documents you submit with your claim through our online client portal.

When is pre-authorisation required for medical treatment?

Pre-authorisation helps as confirmation for the treating doctor that we have taken liability for the cost of specific treatment, and is thus a form of guarantee of payment. Pre-authorisation can only be generated, however, once the accident has been reported to us, we have accepted liability and the details of the specific treatment has been submitted.

In an emergency, medical treatment should continue without preauthorisation, which can then be obtained retrospectively. Whilst preauthorisation is not a pre-requisite for treatment in emergency or acute cases, we recommend that the treating doctor notify us of all hospital admissions to assist us with expediting liability decisions.

All treatment by a physiotherapist or occupational therapist must be based on an acceptable treatment plan that needs to be pre-authorised. The injured employee will require a formal referral from the treating doctor and the treatment must be related to the type and nature of the injury or disease.

Are there any co-payments for medical treatment?

Under no circumstances should the employee pay either a co-payment or an administration fee to the healthcare provider.

Should the employee be charged a co-payment or an administration fee, please inform us.

8. Additional Insurance Products

To help give your employees extra cover for peace of mind when they need it most, we offer a range of value-added products uniquely tailored and suitable for their needs. Our products are in addition to the benefits covered on the Compensation for Occupational Injuries and Diseases (COID), to reduce gaps in cover.



AUGMENTATION POLICY (AUG)

Top-up cover of the COID benefit, suitable for employees that earn above the COID maximum payment limit. Covers earnings of up to R7.5 million a year.

Cover is calculated on the employee's actual package – allowing them to maintain their usual lifestyle by receiving the right compensation at the right level of benefits for their income.

This removes the ceiling placed by the COID legislation.

BENEFITS ARE PAYABLE AS PER COID:

- · Temporary total disablement
- · Permanent disablement
- Death



COMMUTING JOURNEYS POLICY (CJP)

Covers your employees for injuries or death from accidents that take place while they journey between home and work, on a reasonable direct route using any form of transport.

BENEFITS ARE PAYABLE AS PER COID:

- Full medical expenses
- · Temporary total disablement
- Permanent disablement
- Death



GROUP PERSONAL ACCIDENT (GPA)

Covers employees involved in accidents at work that are not work-related, to help reduce financial burdens. Accidents covered outside the workplace except assault and hazardous pursuits.

BENEFITS ARE PAYABLE AS PER COID:

Comprehensive option:

- Death
- · Permanent disablement
- Funeral expenses R20 000

Classic option:

- Permanent disablement
- Funeral expenses R20 000
- Income protection (24 months)
- Death



INTERNATIONAL COVER

Ensures that employees who work outside South Africa can still enjoy cover for occupational injuries or diseases.

BENEFITS ARE PAYABLE AS PER COID:

- · Medical expenses in South Africa
- Temporary total disablement
- Permanent disablement
- Death



FUNERAL COVER PRODUCTS

RMA FUNERAL PLAN

Death cover depending on the chosen option.

- OPTION 1: Member and Spouse for R30 000 cover
- OPTION 2: Member + Spouse + up to 6 children for R30 000 cover

Get a quote!

Email us at sales@randmutual.co.za for a quote suitable to your needs.

9. Training

As our valued compensation partners, we offer a comprehensive training solution to our clients to help you better understand COID and our additional products, and on how to use our online client portal. These are available as workshops or on-site visits across the country.

Should you require training for your company, please contact us on RMATraining@randmutual.co.za.

Class IV sub-classes

Subclass	Description
1400	Underground mining and prospecting for any kind of mineral, metal and precious or semi-precious stones - conducted by means of shafts, tunnels and winches. Excludes: coal mining and mine dump contracting.
0411	Coal mining
1420	Open cast mining, including slate quarrying (excluding coal mining and quarrying); recovery of diamonds from the sea, alluvial mining and surface workings for the recovery of, or prospecting for, any kind of mineral, metal and precious or semi-precious stones; working of sand, gravel and clay pits; recovery of gold from mine dumps; working of salt pans.
0440	Quarrying of stone, flint, lime, etc. including stone crushing and all other incidental operations
0441	Stone crushing operations as a separate business

Class XIII sub-classes

1300: Iron and steel production

This includes processing, quarrying, mining and any other operations linked to iron and steel production.

1301: Foundry product manufacturing and stove manufacturing 1331: Artificial limbs, number plates, blinds and other manufacturing

Iron button, buckle, hook, eye, hairpin, metal badge and brooch manufacturing; air-gun pellet manufacturing; leaden toy and novelty manufacturing; solder manufacturing; Venetian blind manufacturing and repairing; artificial limb manufacturing and repairing; and manufacturing of vehicle and other number plates.

1340: Metal tube and furniture manufacturing, galvansing, ship making, welding etc.

Metal tube manufacturing; metal furniture, door and window manufacturing; sheet metal products manufacturing; wire, wire spring, wire rope, wire goods, fencing and gate manufacturing; tin container manufacturing; lead pipe manufacturing; blacksmiths (including farriers); iron bedstead manufacturing: cutlery manufacturing and repairing by the manufacturer: scale making and repairing; cycle frame manufacturing; electro-static powder spray painting; metal spraying; derusting of metals; manufacturing of gas producers; electric batteries; accumulator and electrode manufacturing; building and repairing of ships (does not include fiber glass. wooden or sailing ships) including repairs to ships (while moored to the guay side, anchored in the harbor, roadstead or while undergoing trial runs); chain manufacturing; aluminum products manufacturing and installation; welding; galvanising; metal products manufacturing including saw doctors; lighthouse and marine lighting engineering; and metal or engineering works not classified elsewhere but excluding structural steel erection or steel reinforcing operations.

1350: Electric cable and safety razor blade manufacturing

1360: Motor car assembly including all related operations

1361: Motor garaging and aircraft repair

Motor garaging, including the servicing and repairing of motor vehicles; motor vehicle scrap yards; automotive electrician; petrol and oil filling station; locksmithing; aircraft repairing and servicing; parking attendants; new and second hand motor vehicle dealerships; motor vehicle hiring if repairs are undertaken.

1363: Motor body building, panel beating and car radiators

Wagon, coach, carriage and motor body building; panel beating and spraying; motor car radiator manufacturing and repairing.

Schedule 2: Permanent disablement percentages

Injury		%permanent disablement
Loss of two limbs		100
Loss of both hands, or	100	
Total loss of sight		100
Total paralysis		100
Injuries resulting in employee being permanently bedridden		100
Any other injury causir	ng permanent total disablement	100
Loss of arm at shoulder		65
Loss of arm between e	lbow and shoulder	65
Loss of arm at elbow		55
Loss of arm between v	vrist and elbow	55
Loss of hand at wrist		50
Loss of four fingers an	d thumb of one hand	50
Loss of four fingers		40
Loss of thumb:	both phalanges	25
	one phalanx	15
Loss of index finger:	three phalanges	10
	two phalanges	8
	one phalanx	5
Loss of middle finger:	three phalanges	8
	two phalanges	6
	one phalanx	4
Loss of ring finger:	three phalanges	6
	two phalanges	5
	one phalanx	3
Loss of little finger:	three phalanges	4
	two phalanges	3
	one phalanx	2
Loss of metacarpals:	first, second or third (additional)	4
	fourth or fifth (additional)	2
Loss of leg:	at hip	70

Injury		%permanent disablement
	between knee and hip	45 to 70
	below knee	35 to 45
Loss of toes:	all	15
	big, both phalanges	7
	big, one phalanx	3
	toes other than big toes:	
	four toes	7
	three toes	5
	two toes	3
	one toe	1
Loss of eye:	whole eye	30
	sight	30
	sight except perception of light	30
Loss of hearing:	both ears	50
	one ear	7

Please also note the following:

- Total permanent loss of the use of a limb is treated as the loss of the limb.
- Any injury to the left arm or hand and, in the case of a left-handed employee, to the right arm or hand, may at the discretion of RMA be rated at 90%.
- If there are two or more injuries, the sum of the percentages for these injuries may be increased, at the discretion of RMA.

Important Contact Details

Got an enquiry? Tel: 0860 222 132

Email: <u>contactcentre@randmutual.co.za</u>

Need to send us a document?

Email: RMAScannings@randmutual.co.za

Want to know more about our products?

Email: sales@randmutual.co.za

Got an enquiry about an invoice or statement, or need to make

payment arrangements?

Email: collections1@randmutual.co.za

Need to submit earnings?

Email: declarations@randmutual.co.za

Need training or want to join a workshop on COID, our system

or products?

Email: RMAtraining@randmutual.co.za

Want to report fraud or suspicious behaviour?

Tel: 0800 212 256

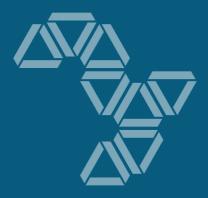
Email: tip-offsline@tip-offs.co.za











CONTACT DETAILS

0860 222 132
(outside of South Africa): +27 860 222 132
Fax: 0860 222 203
Enquiries: contactcentre@randmutual.co.za
Document submissions:

RMA s canning s@rand mutual. co.za