



Kefilwe Tselane
Executive Manager Claims

The Managers of the Claims Directorate are:

- Mr SJP Kruger (Compensation Claims)
- Mr T Mchunu (Communications)
- Dr M P T Ramantsi (Medical Services)
- Mr JM Van Der Merwe (Policies, Adjudication & Registration)
- Mr R C Lengolo (Exempted Employers and Unreported Accidents)
- Mr K Ramantsi (Provincial Co-ordination)

Key performance Areas

The main objectives of the Directorate are:

- Registration, processing and payment of claims for occupational injuries and diseases
- Payment for the costs of medical treatment provided to injured employees
- Monitoring compliance with COIDA
- Handling of objections and appeals against the decisions of the Director-General-Labour, based on COIDA
- Improve access to COIDA

Chapter 3 - Claims directorate

Human resources

The Executive Manager is responsible for managing this Directorate. It has six sub-directorates viz. Medical Claims, Medical Services, Legal Services, Compensation, Communications and Exempted Employers and Unreported Accidents. Within the Directorate there are 393 permanent personnel and over 285 contract workers.

The staff profile is 30.6% male and 69.4% female; 73.7% black and 26.3% white.

Compensation benefits

Compensation benefits include loss of salary, lump sum payments and monthly pension payments to the employee or his/her dependants. Other benefits are constant attendance allowances and artificial appliances. The calculation of benefits paid is based on the earnings received by the worker at the time of the injury, the extent of the injury and related disability. The affordability of benefit increases proposed annually by the Fund is actuarially evaluated. Based on the annual returns of earnings received from employers, 5 254 429 workers are covered and these workers are all potential beneficiaries.

Medical Services

The Fund processes the medical claims of more than 14 000 medical service providers registered with the Board of Health care Funders who treat employees for occupational injuries and diseases. Medical service providers are from different disciplines of medicine. The payment of claims is based on negotiated tariffs agreed with the different medical service provider associations. The tariff increases are implemented on the first day of April each year and are based on the actuarial evaluation.

The Fund has employed different medical specialists, who give advise on medical issues, review/develop policies relating to medical issues, manage occupational diseases and train staff and external clients.

Exempted employers

State departments, provincial administrations and local authorities do not pay assessments to the Compensation Fund, and the Fund therefore does not pay COIDA benefits to public servants. However, they are expected to register with the Compensation Fund as their employees are entitled to COIDA benefits. When accidents and diseases are reported, the Fund processes the claims and sends payment awards to the Department concerned for payment. Only monthly pension payments are processed by the National Treasury - Pensions Administration.

The Fund together with DPSA have recently finalised a guideline on COIDA to assist all the Departments in dealing with COIDA claims. This guideline explains roles and responsibilities of each Department, including Compensation Fund, on all COIDA issues.



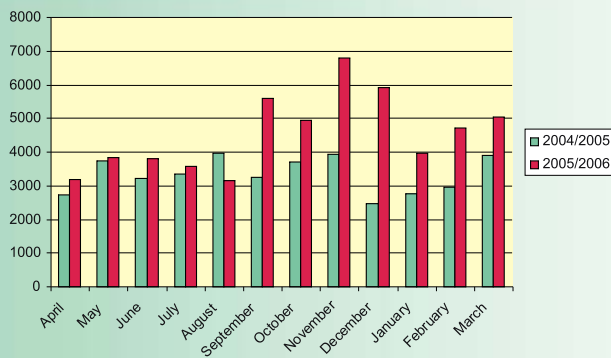
Mutual Associations

The other groups of employers are those who are registered with the mutual associations. There are two mutual associations who operate under a licence from the Minister of Labour to insure employers against their liabilities to employees in terms of COIDA. The mutual associations operate in terms of their licence conditions and the Fund exercises a monitoring function on COIDA related matters.

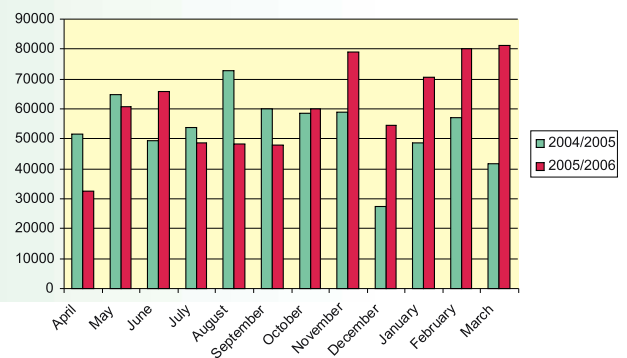
ACHIEVEMENTS

- Increased access to COIDA services by increasing staff complement in the Provincial Offices, creating strategic partnerships and streamlining some processes for clients to have access to information electronically.
- Success in the Provincial Medical Advisory Panel (PMAP) pilot and approval to establish such panels in other provinces.
- Improved claims settlement as evidenced in the graphs below, showing payments for compensation and medical aid.

No of Compensation Payments to Employees From 1 April to 31 March 2006



No of Medical Aid Payments from 1 April 2004 to 31 March 2006



CHALLENGES

- Capacity to process and finalise claims timeously
- Re-designing Business Processes while still meeting clients needs
- Reducing backlog more quickly and effectively
- Finalising the legal processes on hearing cases
- Infrastructure for rollout of PMAPs