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# Social Security System: Compensation of occupational injuries and diseases in South Africa





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# Overview





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## Mandate

The Compensation Fund is established in terms of Section 15 of the Compensation for Occupational Injuries and Diseases Act as amended.

The main objective of the Act is to provide compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees or for death resulting from such injuries or diseases and provide for matters connected therewith.



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## VISION

To be a world class provider of sustainable compensation for occupational injuries and diseases, rehabilitation and reintegration services



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# Mission

The Mission of the Compensation Fund is to:

- Provide efficient, quality, client centric and accessible COID service
- Sustain financial viability
- Ensure an organisation which takes care of the needs of its staff for effective service delivery









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# STRATEGIC PLAN

The Strategy of the Fund is comprised of two strategic priorities or areas of focus for the success and sustainability

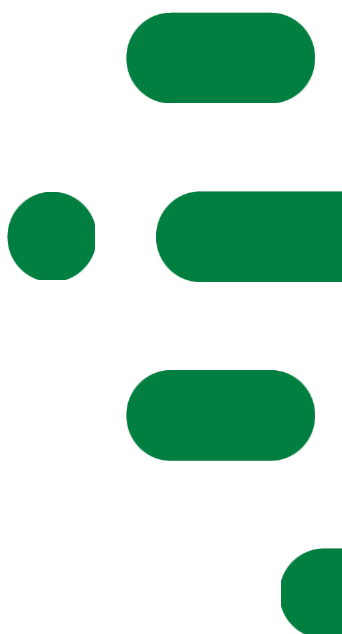
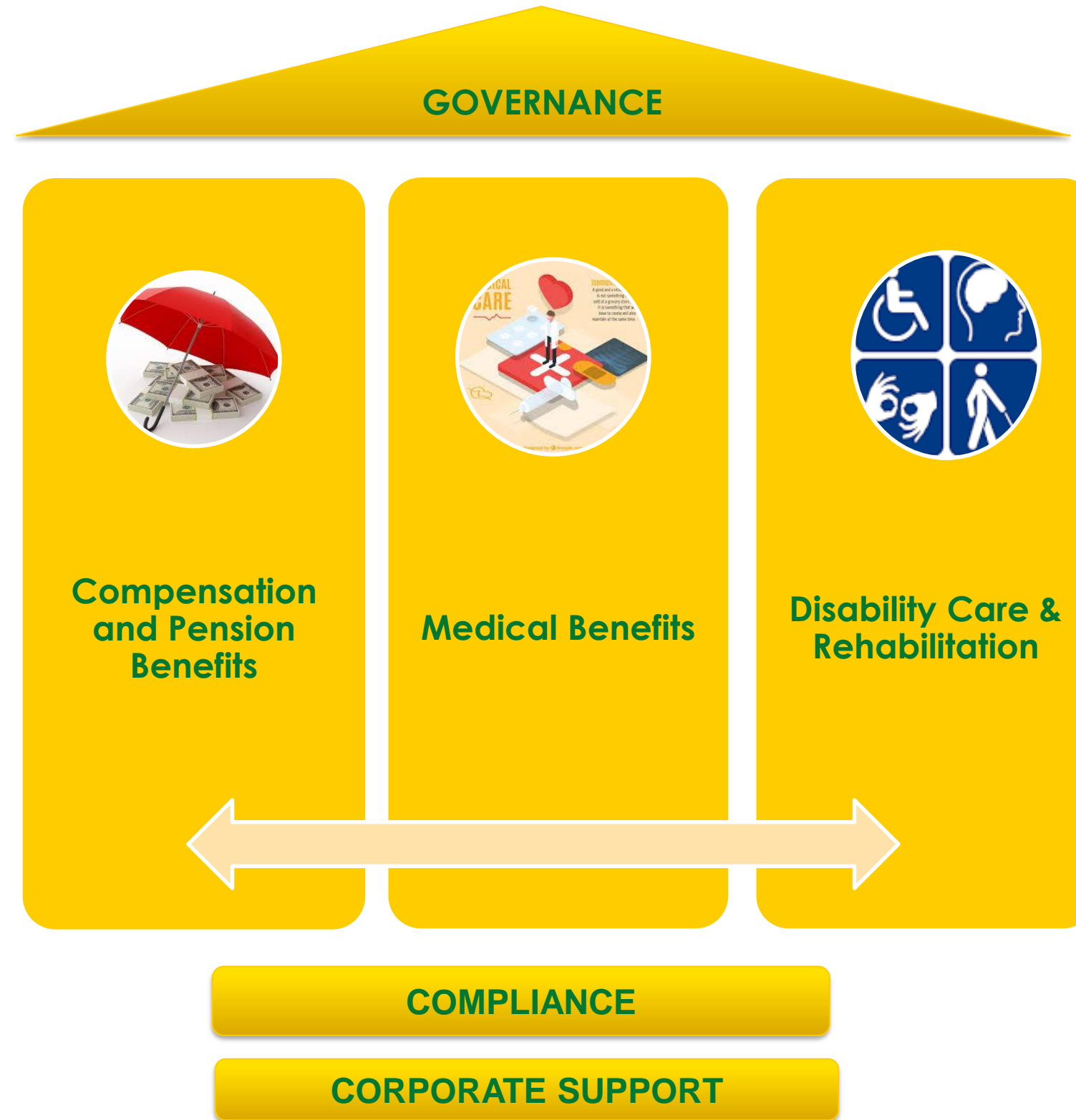
	 <p><b>Quality Medical Care</b></p>	 <p><b>Client Centered Care</b></p>	 <p><b>People</b></p>	 <p><b>Performance</b></p>
<b>Strategic Priorities</b>	To provide faster, reliable and accessible COID Services by 2020		To provide an effective and efficient client oriented support services	
<b>Flagship Projects</b>	<ul style="list-style-type: none"> <li>• Integrated Online Platform for Employer Registration and compliance management</li> <li>• Online Claims Management System</li> <li>• Hospital Care Management Program</li> <li>• Disability Care Management</li> <li>• Integration of data from e-claims, ICM and umehluko systems or better</li> <li>• Review of medical services function in the Fund</li> <li>• Chronic Medication Dispensing</li> </ul>		<ul style="list-style-type: none"> <li>• Improved capacity through Human Resource Development</li> <li>• Increase in the asset base of the Fund through investments</li> <li>• Contribute to employment creation through investments and training programmes</li> </ul>	



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# FUNCTIONAL RESTRUCTURING





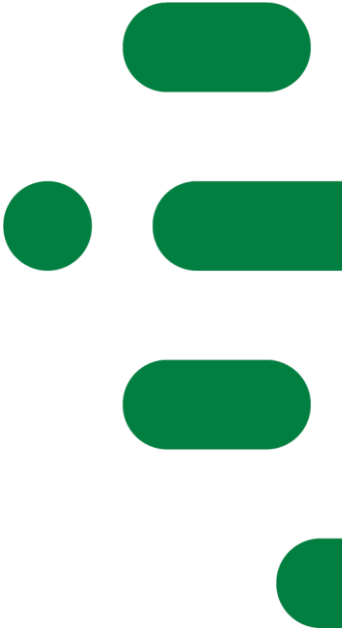
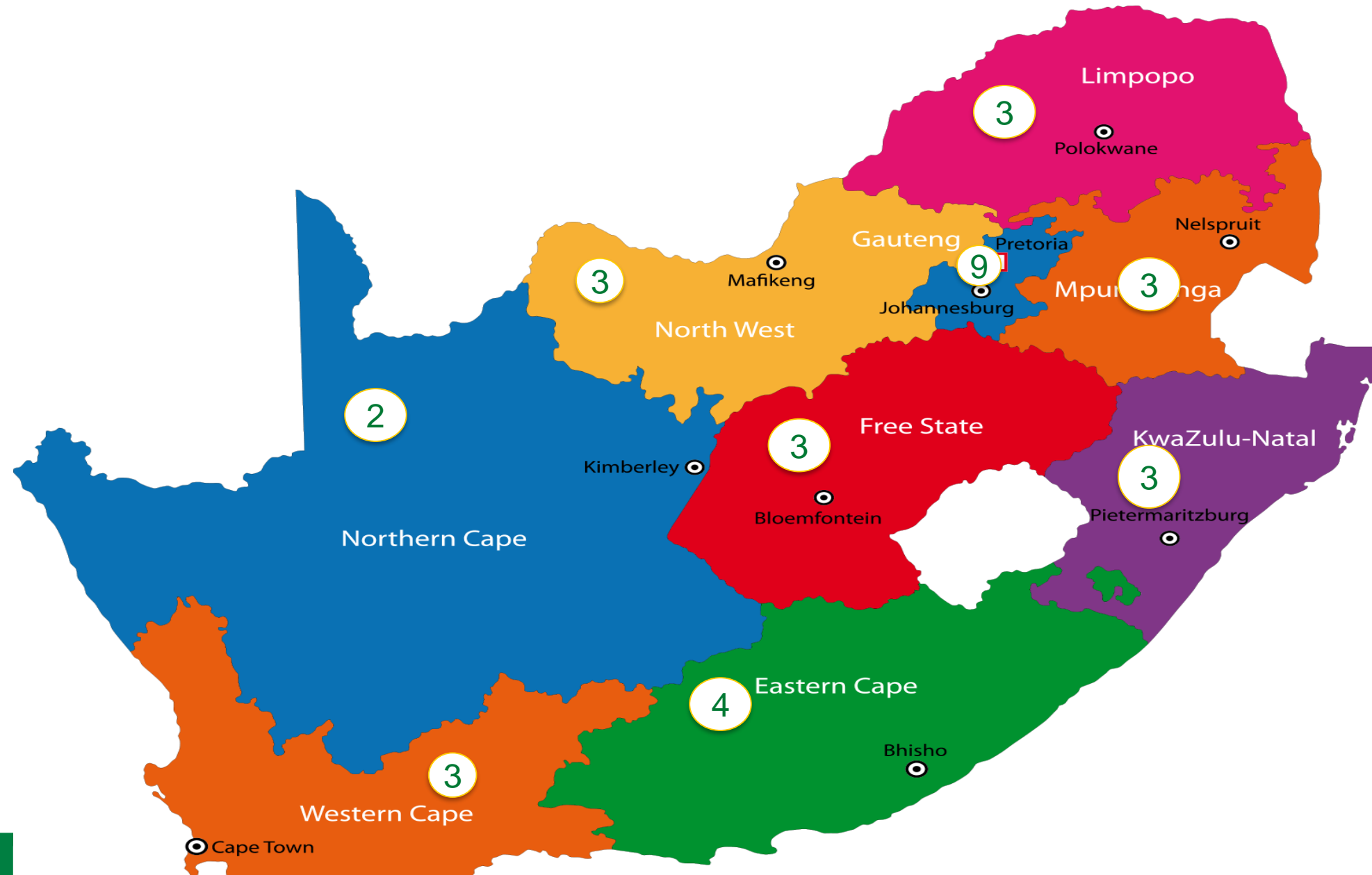
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126 LABOUR CENTRES

33 LABOUR CENTRES WITH COID FUNCTIONS

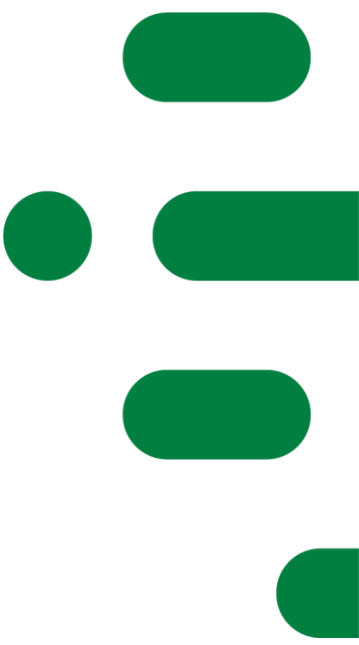
# FOOTPRINT





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# COID Services





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# Employer Services

Employers services establish in terms of Section 80 to 89 of the COID Act : An employers carrying out business in the Republic shall within the prescribed period and in the prescribed manner register with the Commissioner.

## Mandate of ES

To provide registration, assessment and compliance services of employers within the Compensation Fund.

## Objective of ES

To increase revenue and improve compliance





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# Employer Services Directorate

## Employer Registration sub-directorate

- Administer registration of employers with the CF
- Maintain employers' data base
- Administer an application for change of nature of business

## Employer Assessment sub-directorate

- Administer assessment of employers
- Administer revision of assessment
- Administer audit on assessment
- Administer issuing of Notice of Assessment/Invoice

## Employer Compliance sub-directorate

- Administer compliance by employers
- Refer non-compliance cases to Statutory Services for enforcement





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# Obligation of employers

- Registration
- Submit Return of Earning
- Make Payment
- Generate a valid Letter of Good Standing
- Report of accident in the workplace





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# Challenges

Understatement of Revenue: Incorrect Earning and Incorrect sub-classes

Lack of integrity of some Consultants

Incorrect Nature of Business

Internal/External Fraud

Incomplete/incorrect supporting documents

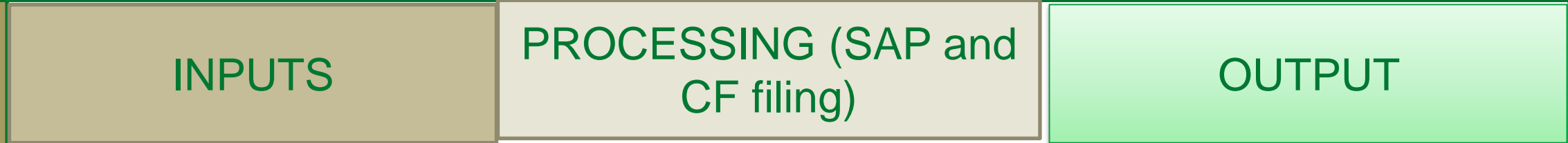
Non-compliance with other public entities e.g. UIF, etc



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# Registration Services ( online or manually)



Companies and Intellectual Properties Commission (CIPC) registration

SARS registration

Nature of business

Review and Approval

Registration number



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# Improvements

- CF-Filing System –online platform to register, submit ROE, make payment and generate a Letter of Good Standing
- Employer Assessment Model- simplify the registration process
- Review of S85 Policy – to promote implementation of safety and healthy system
- Tender letter – system generated letter
- Estimates – legal opinion to review the current assessment model of declaration
- Single electronic online platform- improve ease of doing business
- eCoid system – to simplify a claim process





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# Assessments

## INPUTS

**Submission of Return On Earning (declaration of employee earnings) within the prescribe time frames 31 March yearly (Sect 82)**

## PROCESSING (SAP and CF filing)

Review

Audit assessment

- Credit assessment

Revision of Assessment

- Change of nature of business

Generate invoice

Allocate payment to the correct client account

## OUTPUT

Employer:

- Letter of Good standing
- Mitigate Liabilities

Employee

- Insured for occupational injuries and diseases

CF

- Revenue generation



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# A VALID LETTER OF GOOD STANDING

**IMPORTANT NOTICE TO ALL REGISTERED COIDA EMPLOYERS**

Please be informed that a Letter of Good Standing is now available online and it can only be issued to employers who meet the following criteria:

1. Employer must be registered with the Fund as per section 80 of the COIDA Act.
2. Employer must have submitted all returns of earnings as per section 82 of the COIDA Act.
3. Employer must be fully assessed as per section 83 of the COIDA Act.
4. Employer must have paid/ settled all outstanding debt as per section 86 of the COIDA Act.

In the event that employers meet all the criteria set out above, and still experience challenges in accessing the Letter of Good Standing online, please contact our call centre number below. In this case, then the Letter of Good Standing will be available online within 5 working days. Employers that have not yet been assessed by the Compensation Fund will first be assessed, up to the current assessment year, and are expected to pay all assessments in order to meet the criteria set out above.

Letters of good standing will also be issued on a month-to-month basis to employers that have entered into an instalment arrangement. The automation process is also targeting to facilitate the supply chain management process in any organisation to validate the letter of good standing issued by the Compensation Commissioner.

**To obtain a Letter of Good Standing log onto:**  
<https://cfoonline.labour.gov.za/OnlineSubmissions/12>

**To validate your Letter of Good Standing log onto:**  
<https://cfoonline.labour.gov.za/VerifyLOGS>

**Department of Labour logo**

**Barcode with Certificate number**

**Date of Issue**

**Coat of Arms watermark**

**Expiry date**

**Compensation Commissioner signature**

**Compensation Fund logo**

For more information call 0860 105 350

**The Compensation Fund, working for you!**





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# THE ROLE OF MUTUAL ASSOCIATIONS

- The Minister may grant a license to mutual associations to carry business of the CF–S30
- Transfer to Rand Mutual Assurance Company Ltd Class 4 (Mining industry) and Class 13 (iron and steel industry)
- Transfer to Federated Employers Mutual Assurance (FEM) Class 5 (Building and construction)
- COID Act applies to Mutual Associations





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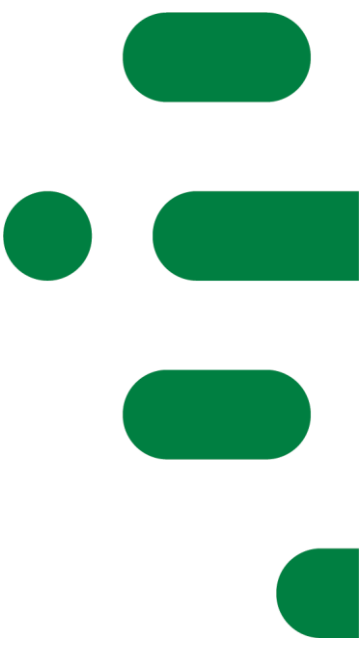
# ICT JOURNEY





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# CHANGES TO THE POLICY AND LEGISLATIVE ENVIRONMENT

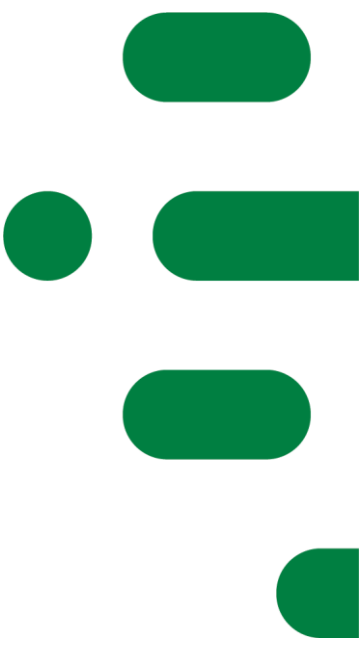
- COIDA AMENDMENT BILL
  - REGULATIONS ON EMPLOYER ASSESSMENT





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THANK YOU

