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Enhanced safety measures paying off?

Safety is a critical factor for employers, and the mining industry is rated as one of the riskiest work environments in South Africa. A significant number of employees in this sector are breadwinners and many families depend on them for their subsistence and care. Furthermore, safety in the industry impacts on production losses, with many fatalities often resulting in an increase in compensation claims, litigations and, in some instances, routine shutdowns for some of the companies.

In recent years, a decline in the number of injuries has been observed in the mining sector. This could be attributed to a number of factors such as improved safety standards in the industry, a decrease in the workforce in this sector and Government interventions.

The table below outlines the top 10 injury types reported to RMA over the five year period from 2010 to 2014. The number

of injuries has dropped substantively in each category, which is consistent with the overall declining trend in the number of claims.

Injuries in the mining industry differ by industry sector, and by commodity, however, looking at the overall figures, injuries of the hand* have consistently been most prevalent. Injuries of fingers and thumbs are still the leading injuries, but have declined from 1 668 injuries in 2010 to 645 in 2014, this was a significant decline of nearly three times less than 2010.

The second most prevalent type of injury reported was knee contusions with 483 reported injuries in 2014, followed by finger/thumb contusions, which dropped from 802 claims in 2010 to 442 in 2014. The injury showing the least decline amongst the top 10 is the sprain and strain of ankle, which still declined by slightly more than a third.

Top 10 Injury description	Year				
	2010	2011	2012	2013	2014
Open wound of finger(s)/thumb	1668	1435	1185	915	645
Contusion of knee	805	792	687	630	483
Contusion of finger(s)/thumb	802	719	640	588	442
Foreign body cornea	730	788	499	483	332
Contusion other parts of foot	625	625	466	377	272
Contusion of shoulder/upper arm	562	524	474	417	304
Fracture of finger	543	509	483	337	261
Sprain and strain of ankle	412	476	371	334	273
Contusion of lower back and pelvis	463	430	362	339	243
Contusion of ankle	426	392	370	365	212

COID vs non-COID cover

With the shrinking employee numbers in the mining industry over the past few years, the number of claims have depicted a similar downward trend. The decline in the number of claims continues across both COID and RMA's non-COID products. The highest number of claims has been consistently within the COID Policy, with 19 016 claims in 2010, reduced to 11 193 in 2014. This was significant, slightly more than 40%, when compared with the other policies. The number of claims in the Commuting Journey (CJP) and Augmentation policies declined by less than a fifth. There are generally very few claims in the Riot and Strike

Policy, with generally less than 10 claims a year. However an anomaly occurred in 2012 due to an unfortunate and unique bus accident. Overall, the total number of claims across all four products over the five year period has dropped by nearly 40% or by more than 8 000 claims from 21 288 to 13 070. A noteworthy feature of the data was a significant decline in the number of claims in 2014, mainly in the CJP and COID policies which was attributed to the 10-week wage strike in the world's biggest platinum mining industry in Rustenburg. The table below depicts the trends across the four products over this period.

* This includes: fracture of finger, open wound of the finger etc.

Table 2: Number of claims by Policy					
	2010	2011	2012	2013	2014
COID	19 016	18 740	15 520	14 386	11 193
AUG: Augmentation	1 670	1 546	1 466	1 391	1 376
CJP: Commuting Journey Policy	602	735	604	736	493
RIO: Riot & Strike	-	-	100	2	8
Total	21 288	21 021	17 690	16 515	13 070





Understanding the impact of reporting delays

An employee has been injured or fallen ill at your workplace and you are uncertain whether to report it, or your company has a lengthy internal reporting process, or the injured/ill employee has been referred for further tests, all resulting in delays in reporting the incident to RMA

The legislated reporting period according to COIDA is:
Accident: Reported to RMA within **7 days** of being informed of the accident
Disease: Reported to RMA within **14 days** of being informed of the disease.

What is the consequence of not reporting an injury/disease timeously?

Reporting delays have a serious impact on the claiming and payment process, resulting in numerous challenges, including:

- Healthcare providers not being paid timeously for services rendered. Delays in payment could cause the healthcare provider to turn away claimants in future;
- Temporary Total Disablement (TTD) claims not being submitted timeously and ultimately delays in payment to claimants;
- Delays in compensation to beneficiaries of a deceased employee;
- Lack of medical reports;
- Black listing of the injured employee; and
- Escalation of costs per claim.

When do I report an injury/illness to RMA?

All work-related injuries on duty, regardless of the severity of the injury, need to be reported to RMA. This includes:

- first aid cases
- minor lacerations
- contusions
- abrasions

According to the Compensation for Occupational Injuries and Diseases Act (COIDA), if an employee reports an accident alleged to have taken place in the workplace yet the employer is not convinced it is a work-related accident, it must still be reported to RMA.

How do I report an injury/illness to RMA?

Reporting can be done in one of two ways:

1. Electronically via RMA's claims management system, C-Filing; or
2. Manually via paper, scanned and emailed to RMA on rmascannings@randmutual.co.za.

Due to the user-friendliness and speed of RMA's system, the majority (81%) of Class IV employers currently report electronically. In order to report an injury electronically, your company needs to be registered with RMA's online services on the website (www.randmutual.co.za).

What are the current reporting delay trends?

Reporting delays are broken into accident and disease reporting, as follows:

Accidents: 76% compliance – this means 76% of accidents are reported within the prescribed seven days.

Diseases: 40% compliance – this means 40% of accidents are reported within the prescribed 14 days.

It is evident from the above that reporting delays are more common when reporting diseases than accidents/injuries.

What are the most common reasons for reporting delays?

Currently among Class IV members, reporting delays are mainly attributed to:

- Long internal reporting processes at the company e.g. the shaft reports the accident to the company's compensation office, which in turn reports it to RMA. This two layered process often leads to unintended delays.
- Delays in obtaining and co-ordinating the required documentation before reporting the accident to RMA (to enable adjudication of claims).
- Employers' classification processes often categorise incidents as either first aid, minor injury or serious injury etc. In cases where an employer first categorises the injury as first aid or minor, these only get reported to RMA if and when the injury worsens.
- The process that is followed to diagnose a disease is often lengthy and, coupled with an employer's internal processes, the employee is often referred for diagnostic tests outside of the workplace. This diagnosis must later be confirmed by an internal person – usually an occupational medical practitioner (OMP) - before the disease can be reported. Additionally, specialist reports may be required in order to confirm the diagnosis, adding to the delays.

How can reporting delays be avoided?

It is clear that there are several contributing factors affecting reporting delays. While some of these are unavoidable, particularly around the reporting of diseases, there are several factors that can be mitigated.

We therefore urge employers to:

1. Report ALL work-related injuries on duty, regardless of the severity of the injury; and
2. Re-evaluate and, where possible, tighten your company's internal reporting and document co-ordination processes to ensure that they can meet the legislated timelines.

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 most.

Should you have any suggestions that could further assist the reduction of reporting delays, please do not hesitate to share these with RMA by emailing contactcentre@randmutual.co.za and using the wording "Improved reporting delays" in the subject line.



Calculating TTDs

Temporary Total Disablement (TTD), also known as a temporary income replacement benefit, is the payment of an employee for his days off work while injured, or while recovering from his work-related injury or disease.

TTDs are only paid if the employee is off work for more than three days, is undergoing medical treatment and has been booked off by the treating doctor either by means of a medical report or a sick note.

In the last issue of RMAConnect we gave an overview of TTDs and how to submit these to RMA. In this issue we will focus on the calculation of TTDs and the various salary/wage scenarios that may affect these calculations.

In accordance with COIDA, an injured/ill employee does not receive their full lost earnings during their absence from work due to injury/illness. This encourages return to work. However, please note that TTD payments in terms of COIDA are tax-free. For minimum and maximum payments, please refer to item 1 of Schedule 4 of COIDA.

What is the formula for calculating TTDs?

The standard formula for calculating TTDs below is based on monthly paid salaried employees. However, please refer to the section below entitled payment scenarios to obtain the formulas for fortnightly, weekly and hourly paid wage employees.

Accident earnings x 75%/30.3333 x days off = TTD payment

What are accident earnings?

Accident earnings are made up of the following work-related income i.e.:

1. Basic earnings: R7 500
2. Variable earnings: R2 000

3. Non-variable earnings: R500
Accident earnings: R10 000

Variable earnings: this is not a consistent amount paid to the employee and at times is not paid every month, but varies from month to month - for example:

- Overtime
- Production bonus
- Safety bonus
- Standby

Non-variable earnings: this is a consistent amount paid to the employee each month, usually as part of the employee's contract - (non-variables should be fixed, regular and taxable) for example:

- Holiday leave allowance
- Housing allowance
- Cell phone allowance
- Travel allowance

According to the COIDA Act, the earnings should be calculated at the rate the employee was being remunerated at the time of the accident and should include:

- the value of any food or quarters or both supplied by the employer; and
- any overtime payment or other special remuneration in cash or in kind of a regular nature or for work ordinarily performed.

But should exclude:

- payment for intermittent overtime;
- payment for non-recurrent occasional services;
- amounts paid by an employer to an employee to cover any special expenses; or
- ex gratia payments whether by the employer or any other person.

Payment scenarios

1. Monthly paid employee

Formula: Accident Earnings X 75% / 30.3333 X the number of days off = TTDs

Example: Accident Earnings = R10 000

$R10\ 000 \times 75\% = R7\ 500 / 30.3333 = R247.25 \times 30\ \text{Days Off} = R7\ 417.59$

2. Fortnightly paid employee

Formula: Fortnightly rate x 2.1666 X 75% / 30.3333 X the number of days off = TTDs

Example: Fortnightly rate = R5 000

$R5\ 000 \times 2.1666 = R10\ 833 \times 75\% = R8\ 124.75 / 30.3333 = R267.84 \times 30\ \text{Days Off} = R8\ 035.47$

3. Weekly paid employee

Formula: Weekly rate x 4.0 X 75% / 30.3333 X the number of days off = TTDs

Example: Weekly rate = R1 500

$R1\ 500 \times 4.0 = R6\ 000 \times 75\% = R4\ 500 / 30.3333 = R148.35 \times 30\ \text{Days Off} = R4\ 450.55$

4. Hourly paid employee

Formula: Hourly Rate x number of hours worked X 75% / 30.3333 X the number of days off = TTDs

Example: Hourly rate = R40.00

$R40 \times 320\ \text{hours worked} = R12\ 800 \times 75\% = R9\ 600 / 30.3333 = R316.48 \times 30\ \text{Days Off} = R9\ 494.51$

What is the duration of TTD payments?

TTDs are paid from day four and can continue up to one year (12 months), depending on the extent of the injury or disease. If the injury/disease continues beyond 12 months, RMA will reassess the claim and the possibility of continuing payment. However, TTDs continuing for more than two years (24 months) may be considered permanent disablement.

Keeping an eye on the ball



THANK YOU... RMA General Manager Information and Communications Technology, Yunoos Mohammed, is thanked by Laerskool Glenharvie Combined principal Herculé du Preez and some of the under 19 netball team members.



PROUD DISPLAY... The netball team members proudly wear their team tracksuits sponsored by RMA. With the team are coach, Nadine Putter (back left), and co-coach, Jacomine du Preez (back right).

RMA recently sponsored netball uniforms for talented young players at the Laerskool Glenharvie Combined as part of its corporate social responsibility programme and in line with its business model of Caring, Compassionate Compensation.

Most of the parents at the school are employed at the Sibanye Gold Kloof mine in Westonaria.

The school's under 19 team is a developmental team that includes younger players, with some as young as 15, who are being groomed to not only take over from the older players as they leave the school, but to be able to apply for sports bursaries when entering university.

The team has been entered into two leagues, namely the school league and the West Rand Netball all clubs league.

"We are proud to say that we are currently first in the West Rand C league and expect to move into the B league shortly. This league is made up of older players and gives the girls fantastic exposure to play at a higher level and it has been a great learning curve for them. I am really trying to develop and groom these girls so that they may qualify for bursaries when the time comes.

"Three of the players also qualified for the Gauteng trials," says delighted coach, Nadine Putter.

The netball team is captained by Athule Stefane and stand out players include

the goal keeper, Cikizwa Mabude and goal defence/goal attack Zanele Machingwane. The team was sponsored with a tracksuit, a netball dress, netball takkies and a sports bag from RMA.

"The girls are very dedicated and the sponsorship has meant so much to them as many of them would not have been able to afford to pay for the kit themselves. Having professional kit means that they can enter the field with confidence, and having the correct takkies also means that injuries are reduced.

"We would really like to thank RMA for the sponsorship. It is good to know that someone still cares about the children," concludes Putter.



ALL DRESSED UP... Team members sport the netball dresses sponsored by RMA.



HAVING A BALL... Team members put in hours of training and dedication to achieve success.

A rainbow of clothing for flood victims



When devastating floods hit Malawi earlier this year, 221 RMA pensioners were directly affected, many of whom were stranded and some even lost their homes.

It was not long before RMA staff opened their hearts to help by donating fabric in what became known as the Rainbow Clothing Project, spearheaded by RMA's prosthetics partner, Marissa Nel and Associates.

The donations ranged from old curtains, duvet covers and off-cut pieces of used material, which the prosthetic team at Marissa Nel's were personally cutting and sewing over weekends to create a unique clothing range especially for the children of those pensioners who lost everything in the floods.

More than 600 items of clothing were made and delivered across Malawi during RMA's mobile clinic's six week visit to the country.

The project also included visits to pensioners and widows affected by the floods in the districts of Phalombe, Zombi, Thyolo, Balaka, Dedza, Ntcheu and Blantyre. Some pensioners lost their homes and are living with family members while others had their only income of agriculture destroyed through fields that were either waterlogged or washed away. Fortunately none of our pensioners or their families were affected by the resultant outbreak of disease following the floods.



Contact RMA:

Let us know what you would like to know more about in the upcoming issues of RMA Connect.

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