



Enabler

Purpose

The Labour Relations Act of 1995 places increased responsibility on employers to accommodate employees who become incapacitated through illness or injury. The Act's Code of Good Practice supports continued employment rather than dismissal. The employer is obliged to investigate the nature and extent of the employee's incapacity or injury. If the disability is temporary and likely to be of short duration, the employee should be reinstated upon recovery. If the disability is temporary and likely to be of long duration, the employer should investigate all possible alternatives before considering dismissal, taking into account the nature of the job, the period of absence, the seriousness of the illness and a temporary replacement.

Where the incapacity is likely to be permanent, the employer should also consider alternative employment, adapting the duties of the employee and \ or adapting the work circumstances of the employment.

This provides the opportunity to package a disability product that supports employers seeking to fulfil their obligation in terms of the Act.

Qualification Criteria

A total staff compliment of **500** is required.

Product Features

The product is made up of four key components:

Income benefit

A claimant receives a regular monthly income in place of earnings lost during his or her disablement, whether temporary, permanent or total.

Payment ends if the claimant recovers, dies or reaches normal retirement age, whichever is the soonest.

The amount of the benefit is based on a scale related to the member's salary and is subject to a maximum as set by the Life Offices Association (LOA), as well as certain maxima as per Metropolitan's practice, which varies from time to time.

The disability definitions determine the extent of cover provided. Different definitions can be selected for the initial and extended periods.

Partial benefit

To support a claimant who suffers a loss of earnings as a result of only being able to work in a reduced capacity. This is payable in the event of a claimant suffering partial disability, and only if he or she forgoes more than 25% of salary due to disability.

Rehabilitation benefit

To facilitate the claimant's return to active employment. This is a benefit payable to assist with the rehabilitation of the claimant. The benefit may also be used toward the adaptation of the working environment to enable him or her to function effectively in the workplace. A bonus will be payable to a claimant who is successfully rehabilitated.

Survivor benefit

This benefit is paid to the dependants of a claimant who dies while in receipt of the disability income continuation benefit. The survivor benefit is equal to 3 times the deceased member's monthly income continuation benefit



Specifics

<p>Income Benefit</p>	<p><u>75% Scale:</u></p> <p>75% of monthly salary, subject to a maximum of R110 000 per month.</p> <p>This maximum amount of R110 000 may be increased at the discretion of Metropolitan.</p> <p>or</p> <p><u>100% Scale:</u></p> <p>75% of the first R12 000 monthly salary, plus 50% of balance , plus for the first 2 years of disability only 25% of the first R 12 000 (ie 100% of salary for the first 2 years and 75% thereafter)</p> <p>subject to maximum benefit of R15 000 per month.</p>
<p>Disability definitions</p>	<p>First twelve months of disability:</p> <ul style="list-style-type: none">inability to engage in the following types of occupation in the service of his/her current employer:<ul style="list-style-type: none">the occupation that he/she had been following at the time of his/her disablement or,another occupation for which he/she is, or could reasonably be expected to become, qualified in view of his/her knowledge, training, education, ability, and experience. <p>Thereafter (Extended period):</p> <ul style="list-style-type: none">inability to engage in the following types of occupation in the service of any employer (including self-employment):<ul style="list-style-type: none">the occupation that he/she had been following at the time of his/her disablement or,another occupation for which he/she is, or could reasonably be expected to become, qualified in view of his/her knowledge, training, education, ability, and experience. <p>The first 12 month period referred to above runs from the commencement of disability i.e. the start of the waiting period.</p>
<p>Waiting period</p>	<p>The client can choose a waiting period of three, six and twelve months. The benefit becomes payable after the expiry of the waiting period.</p>
<p>Conversion option</p>	<p>The client has the option to include a Conversion Option to the members.</p> <p>The Conversion Option provides members with an option to effect an individual insurance policy, if required, without having to provide any medical evidence. This option may be effected on withdrawal only up to five years prior to normal retirement date. A sum assured up to a maximum of his/her benefit under the scheme may be selected.</p>



<p>Escalation of ICB</p>	<p>The client has the option to include an Escalation benefit, which will provide an automatic annual increase on the basic ICB benefit. This escalation is offered as an annual percentage increase, limited to the Consumer Price Index (CPI). Currently escalations at three, five, seven, seven & a half and ten percent are available.</p>
<p>Employer Waiver Benefit</p>	<p>This benefit is payable, in addition to the ICB benefit, on the disablement of the member. The amount insures the Employer's contributions to a Retirement Fund. This benefit is subject to a maximum monthly benefit of R2 200 in respect of the 100% benefit Scale and R23 100 in respect of the 75% benefit Scale.</p>
<p>Returns to work in reduced capacity</p>	<p>Where a claimant receives a reduced level of earnings from his/ her own occupation during the first 12 months of disability, Metropolitan may, at their discretion, reduce the benefit payable according to a specific formula. This formula operates in such a way that the claimant is left better off when adding the benefit to his/ her reduced earnings.</p> <p>After 12 months of disability have elapsed, Metropolitan may at their discretion, apply the reduced formula if the claimant is or can be expected to be earning a reduced income in an occupation for which he/ she is capable by virtue of his/ her knowledge, education, training, ability or experience.</p> <p>The income continuation benefit will be reduced according to the formula if the claimant is employed in an occupation other than those indicated above.</p>
<p>Employees who suffer repeated bouts of disability</p>	<p>If a member regains his health for a period of at least 3 months, a later period of disability will be regarded as a separate new period, and be subject to the same claim procedure as if it were a first event. If a member suffers a further bout of disability within 3 months after his/ her disability income has ceased, the further period of disability will be regarded as a continuation of the previous period.</p>
<p>Rehabilitation Benefit</p>	<p>The rehabilitation benefit is payable for the rehabilitation and/or retraining of a disability claimant. The amount of the rehabilitation benefit is subject to a maximum of the lesser of:</p> <ul style="list-style-type: none"> - 24 times the monthly income continuation benefit; and - R 100 000 <p>If a claimant is successfully rehabilitated and returns to work for at least six months, he/she will be entitled to a rehabilitation bonus equal to 3 times his/her monthly income continuation benefit.</p>
<p>To whom is the benefit paid</p>	<p>The rehabilitation benefit is payable to a recognised institution for:</p> <ul style="list-style-type: none"> • Medical or psychological evaluation • Rehabilitation costs • Retraining or re-educating of the claimant. <p>The benefit may also be applied towards the adaptation of the claimant's job environment to enable him/her to function effectively in the workplace.</p>



Rehabilitation Contract	Metropolitan will evaluate whether a claimant is likely to be successfully rehabilitated. Successful rehabilitation is broadly defined as the claimant being employed and earning at least 50% of his/her monthly salary at commencement of disability. In order to qualify for the rehabilitation benefit, the claimant will be required to sign a contract undertaking to complete a full rehabilitation programme. Failure to sign, or subsequent breach of this rehabilitation contract, will at Metropolitan's discretion, result in cancellation of the rehabilitation and monthly income benefits.
Survivor Benefit	The survivor benefit is payable to the dependants of a claimant who dies while in receipt of the income continuation benefit. The survivor benefit is equal to 3 times the deceased's monthly income continuation benefit.
SPECIAL NOTE	The Enabler may not be taken with the lump sum disability, Total and Temporary Disability TTD Benefit or Income Continuation Benefit for the same employee category.



<p>Additional circumstances in which benefit is not payable</p>	<ul style="list-style-type: none"> • Where a member became disabled prior to commencement of cover under the proposed policy. • Where the member is not disabled in terms of the definition of disability. • Where suitable evidence of disability is not submitted to Metropolitan. • Where disability has arisen from a medical condition for which the member was treated, or about which he knew or could have been expected to know, or about which he sought medical advice in the 6 months before commencing cover under this policy, and disability from this cause arises within 12 months after the commencement of cover. <p><i>The commencement of cover under this policy (as mentioned above) will be extended for all existing members at the commencement date, to include their period of cover enjoyed under the previous scheme. This extension is only applicable to the amount of cover applicable under the previous scheme.</i></p> <ul style="list-style-type: none"> • Where disability has arisen as a result of wilful self-injury. • Where a member's insured income during disability exceeds the maximum stipulated by the Life Offices Association agreement on disability income, the excess over the said limits may be withheld.
<p>Requirement to remain under the care of a medical practitioner</p>	<p>During a period of disability the member must be treated by a medical practitioner or specialist if there is a reasonable chance that medical attention will improve his/ her condition. If this is not done Metropolitan has the right to disallow the benefits.</p>
<p>Territorial limitations</p>	<ul style="list-style-type: none"> • An eligible member shall be entitled to cover in terms of this policy provided he/she is present in the Republic of South Africa, provided that the member may reside or travel outside this territory for not longer than 12 consecutive months without thereby prejudicing his/her rights in terms of this policy in any way. • An eligible member, who is in receipt of a benefit in terms of this policy, may reside or travel outside the Republic of South Africa for up to 6 consecutive months. After the said 6-month period, Metropolitan may, at its discretion, cease payment of the benefit in terms of this policy.
<p>Premium Conditions and Guarantees</p>	
<p>When are premiums payable</p>	<p>Premiums are either payable monthly in advance with 30 days grace or in arrears with 7 days' grace.</p>
<p>Premium Rate Guarantee</p>	<p>The premium rates are guaranteed for one year after the commencement of cover. Metropolitan may amend the premium rates upon giving at least one month's written notice. If any significant changes in membership or in the principal business activities of the employer occur at any time, Metropolitan may immediately revise the premium rates.</p> <p>A significant change in membership is deemed to have occurred if:</p> <ul style="list-style-type: none"> • there is a 10% increase or decrease in the total number of members. • there is a 5% increase or decrease in the average age of the membership.
<p>Information required to calculate premiums and benefits</p>	<p>At the beginning of each policy year, the employer must supply Metropolitan with a list containing the name of each member, his / her date of birth, occupation, sex, annual salary, and other details which Metropolitan may require.</p>
<p>Broker Commission</p>	<p>Provision can be made for renewal commission in terms of the Long-term insurance Act as well as allowance for new business if applicable.</p>



Policy terms and conditions	
Eligibility	Employees younger than the Normal Retirement Age, who are in the full-time, active and permanent service of the employer, are eligible for cover under the proposed policy.
Commencement of cover	Eligible employees are covered from the date on which the policy commences (commencement date) and cover is applicable twenty-four hours a day.
Guarantee period	The terms and conditions of the policy are guaranteed for one year after the commencement of cover. Thereafter, Metropolitan may amend the terms and conditions upon giving written notice of such intention at least one month before any premium rate adjustment and three months before any other policy amendment.
Submission of evidence for claims	Suitable evidence in respect of any claim must be supplied to Metropolitan within 6 months of the member's disability or other event giving rise to a claim, or 3 months after an inquest into a disability (where applicable). Metropolitan may however extend any such period if it is of the opinion that there is a good reason for a delay.
Policy contract	A policy contract will be issued to the employer upon commencement or notice of commencement of cover. This will constitute the whole and entire agreement between the employer and Metropolitan.
Active service requirement	<p>Employees are required to be in the active service of the employer at commencement of cover under this policy. Should an employee be absent from service due to injury or illness at such date, his/ her insured benefits will commence after the completion of two (2) consecutive months of active service.</p> <p>This 2 months' waiting period will be waived if the employee submits evidence of good health to the satisfaction of Metropolitan within 10 working days of returning to work.</p> <p><i>This requirement may, at the discretion of Metropolitan, be waived for existing schemes.</i></p>
Temporary absence from service	Where an employee who has already qualified for cover under the policy, is temporarily absent from work for whatever reason (including injury or illness), he / she may be permitted to continue to enjoy cover for a maximum period of 6 months.
Proof of insurability	<p><u>Evidence-free Cover Limit:</u></p> <p>Members are granted cover up to a certain limit (called the Evidence-free Cover Limit) without having to provide Metropolitan with proof of their insurability. Metropolitan sets this Evidence-free Cover Limit from time to time. Metropolitan may not reduce the Evidence-free Cover that has already been granted to a particular member.</p> <p>If a member's Income Continuation Benefit is larger than the Evidence-free Cover Limit then proof of insurability is required in respect of the difference between the member's benefit and the Evidence-free Cover Limit. Such proof of insurability may include life style and financial status questionnaires.</p> <p>If such evidence shows the member to be in good health and a low risk, full cover is granted to the member. If it shows a health impairment and/or high risk, the difference between the full benefit and the Evidence-free Cover Limit may be subject to an extra premium, or in a case of an extreme risk the member's benefit will be restricted to the Evidence-free Cover Limit. The cost of providing the medical evidence required will be borne by Metropolitan.</p>



	<p>Or</p> <p><u>Personal Medical Declarations (PMD):</u></p> <p>All members will have to submit Personal Medical Declarations (PMD) in the first instance.</p> <p>Depending on Metropolitan's assessment of the completed PMD, it may be required of the member to submit complete evidence of health.</p> <p>If such evidence shows the member to be in good health, full cover is granted to the member. If it shows health impairment, the full benefit may be subject to an extra premium, or in a case of extreme health impairment the member's benefit will be restricted or denied. The cost of providing the medical evidence required will be borne by Metropolitan.</p>
Resubmission of evidence of insurability	Resubmission of evidence of insurability by members who enjoy similar cover under an existing group policy of insurance (in force immediately prior to the commencement date) is not required except in respect of members whose cover under the policy is or was subject to special conditions (e.g. loadings, exclusions or cover restrictions).
Forward underwriting	Members who provided medical evidence of health and were accepted at standard conditions (without restricted cover and special loadings), will be entitled to future increases in cover over the next 5 years, provided that the increase does not exceed 20% from year to year.
Termination of this policy	If the employer wishes to terminate this policy, at least one month notice of such intention must be given to Metropolitan.