

## **Backlog of mine worker claims weighs on fund**

*5 July 2017*

FIVE years after CEO Barry Kistnasamy was appointed to turn around the Compensation Commission for Occupational Diseases (CCOD), the institution is still grappling with a mammoth claims backlog for mine workers with lung diseases, and has only just begun to get its financial records in order. Health Minister Aaron Motsoaledi appointed Kistnasamy to clean up the CCOD. In June, Motsoaledi wrote to Parliament to say the CCOD, one of the entities that report to the Department of Health, was unable to submit its 2016-17 report and financial statements to the auditor-general. This was because of a backlog in capturing the records associated with mine workers' claims, bank reconciliations for pay-outs from the Compensation Fund and the revenue it received from controlled mines and works. The fact that the department is still struggling to get the CCOD to provide workers with an efficient compensation fund has broader implications, as it raises questions about its capacity to oversee the ambitious National Health Insurance (NHI) Fund.

The CCOD's financial statements for 2010-11 and 2011-2012 have been approved by the auditor-general, but will only be submitted to Parliament in August and its 2016-2017 annual report will only be tabled in a year's time, said Kistnasamy. The last audited financial statements submitted to Parliament by the CCOD were for 2009-10, which got a disclaimer from the auditor-general, he said. His task when he took the helm in 2012 was to establish the base year financial numbers and an actuarial valuation for the fund. Now that has been done, and the first two annual reports completed, the pace should pick up, said Kistnasamy. At the last count, the fund had a backlog of 94 000 claims that had been approved by the Medical Bureau for Occupational Diseases (MBOD), that had yet to be paid out to workers, he said. This is a modest improvement on the backlog of 106 000 claims reported to Parliament nine months ago. The MBOD assesses mine workers' claims and determines whether they are eligible for a pay-out. The CCOD had trebled its pay-out rate to 1 500 a month by mid-June, compared with just 500 a month a year ago. In the year to mid-June, it had paid 6 132 claimants a total of R212-million, compared with paying 1 975 claimants a total of R88-million in the previous period, he said. About 300 000 to 500 000 former mine workers - assuming they were still alive - still needed medical assessments, said Kistnasamy. Many of them live in remote parts of SA and neighbouring countries. The private sector has provided significant financial and technical resources, ranging from seconding doctors to the MBOD's certification committee to "one-stop" service centres for former mine workers.

*By Tamar Kahn: Business Day, 5 July 2017*