



# the dpsa

Department:  
Public Service and Administration  
**REPUBLIC OF SOUTH AFRICA**

Private Bag X916, PRETORIA, 0001 Tel: (012) 336 1000, Fax: (012) 326 7802  
Private Bag X9148, Cape Town, 8000. Tel: (021) 467 5120, Fax: (021) 465 5484

Enquiries : Mr D v/d Westhuizen  
Tel No. : 012-336 1295  
Fax : 0866178791  
File : 17/2/2/P

## TO HEADS OF DEPARTMENT AND PROVINCIAL ADMINISTRATIONS

***For Attention: PILIR Champions/Director: Human Resource/Chief Financial Officers***

### **POLICY ON INCAPACITY LEAVE AND ILL-HEALTH RETIREMENT (PILIR): DECENTRALISATION**

- 1 As you are aware, PILIR was implemented in the Public Service in 2006. The rollout of PILIR took place within the parameters of the approved implementation strategy in which the dpsa plays in various ways a central roll which includes, among others, the appointment of the respective Health Risk Managers as well as the budgeting and payment for services rendered by the Health Risk Managers.
- 2 The central budgeting and payment arrangements are, per agreement between the dpsa and National Treasury, only in place until end March 2009. With effect from 1 April 2009 this responsibility shall be decentralised to departments. Therefore, it is prudent that departments, through the MTEF processes, budget for the expected expenditure attached to the continued application of PILIR.
- 3 To facilitate the budgeting process, the price structure contained in the contracts with the respective Health Risk Managers, is summarized hereunder:

TYPE OF ASSESSMENT	COST PER CASE
Temporary incapacity leave for short periods [<30 days]	R 602.00

<p>Temporary incapacity leave for long periods [&gt;29 days]</p> <ul style="list-style-type: none"> <li>▪ Fixed component, including the handling of medical accounts and all administration, reports, assessments and other tasks associated with the handling of the case, including the use of a courier service for the delivery of supporting documentation required by health professionals, but excluding the "actual medical expenses" mentioned below.</li> <li>▪ Actual medical expenses related to secondary assessments only to a maximum of:</li> </ul>	<p>R 1 934.00</p> <p>R 2 450.00</p>
<p>Ill-health retirement</p> <ul style="list-style-type: none"> <li>▪ Fixed component, including the handling of medical accounts and all administration, reports, assessments and other tasks associated with the handling of the case, including the use of a courier service for the delivery of supporting documentation required by health professionals, but excluding the "actual medical expenses" mentioned below.</li> <li>▪ Actual medical expenses to a maximum of:</li> </ul>	<p>R 2 468.00</p> <p>R 2 450.00</p>

- 4 In addition to the above fees, a baseline fee is paid on a monthly basis. The purpose of the baseline fee is for the couriering of documents from the Health Risk Manager's offices, attendance of Steering Committee meetings, assistance in the preparation for legal cases, etc. The baseline fee, however, varies between the different implementation areas. To simplify cost estimations the current baseline fee was converted into a capitation fee for ease of calculation, i.e. R 4.39 per head.
- 5 Based upon the 2007/08 financial year experience, attached is expenditure per department which can be utilised as a baseline for budgeting purposes.
- 6 You are furthermore advised to-
  - consider the sick leave/incapacity leave and ill-health discharge profile of your Department through a sick leave cycle as the utilization of incapacity leave is normally at its lowest during the first year of the sick leave cycle;
  - allow as a worse case scenario for medical referrals in all anticipated long incapacity leave and ill-health discharge applications, respectively;
  - provide for a baseline fee calculated at the capitation fee indicated above; and
  - allow for annual price increases according to the CPI indexes.
- 7 The draft decentralisation framework has been finalised and will be consulted with departments shortly. A further communication, in this regard, will follow in due course.

  
**DIRECTOR-GENERAL**

**DATE:** 27/6/08

## PILIR EXPENDITURE FOR THE 2007/08 FINANCIAL YEAR

PROVINCE	DEPARTMENT	TRAINING	SHORT	LONG	ILL-HEALTH	2NDRY OPINIONS	TOTAL	
Limpopo Provincial Administration	Agriculture	R 0.00	R 13,560.00	R 38,136.00	R 18,536.00	R 14,966.51	R 85,198.51	
	Economic Development	R 0.00	R 7,970.00	R 7,264.00	R 6,951.00	R 0.00	R 22,125.00	
	Education	R 691,968.00	R 15,820.00	R 58,112.00	R 94,997.00	R 70,769.30	R 931,666.30	
	Health & Social Development	R 357,952.00	R 32,205.00	R 81,720.00	R 53,291.00	R 57,481.90	R 682,649.90	
	Local Government & Housing	R 0.00	R 0.00	R 3,632.00	R 0.00	R 2,300.00	R 5,932.00	
	Office of the Premier	R 25,568.00	R 1,695.00	R 5,448.00	R 0.00	R 0.00	R 32,711.00	
	Provincial Treasury	R 0.00	R 4,520.00	R 3,632.00	R 0.00	R 2,300.00	R 10,452.00	
	Public Works	R 0.00	R 24,860.00	R 21,792.00	R 9,268.00	R 10,796.80	R 66,716.80	
	Sports, Arts & Culture	R 0.00	R 1,695.00	R 3,632.00	R 2,317.00	R 1,850.00	R 9,494.00	
	Safety, Security & Liaison	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	
	Roads & Transport	R 0.00	R 1,695.00	R 18,160.00	R 30,121.00	R 26,174.50	R 76,160.50	
	KwaZulu Natal Provincial Administration	Agriculture & Environmental Affairs	R 0.00	R 47,367.00	R 26,920.00	R 4,532.00	R 3,420.00	R 82,239.00
		Arts, Culture & Tourism	R 2,080.00	R 3,390.00	R 5,448.00	R 2,317.00	R 850.00	R 14,085.00
		Community Safety & Liaison	R 520.00	R 6,015.00	R 1,816.00	R 0.00	R 0.00	R 8,351.00
		Economic Development	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00
		Education	R 214,760.00	R 439,245.00	R 437,960.00	R 239,919.00	R 238,690.37	R 1,570,574.37
		Health	R 0.00	R 998,228.00	R 351,992.00	R 103,347.00	R 115,620.60	R 1,569,187.60
Housing		R 0.00	R 59,555.00	R 21,632.00	R 0.00	R 6,771.00	R 87,958.00	
Local Government & Traditional Affairs		R 61,880.00	R 43,417.00	R 28,416.00	R 9,064.00	R 8,396.50	R 151,173.50	
Office of the Premier		R 19,240.00	R 5,085.00	R 5,448.00	R 0.00	R 1,000.00	R 30,773.00	
Provincial Treasury		R 0.00	R 8,350.00	R 5,204.00	R 2,317.00	R 569.10	R 16,440.10	
Public Works		R 24,960.00	R 88,981.00	R 44,440.00	R 11,483.00	R 6,791.00	R 176,655.00	
Social Development		R 0.00	R 35,622.00	R 12,392.00	R 4,634.00	R 6,050.00	R 58,698.00	
Sport & Recreation		R 0.00	R 2,185.00	R 3,552.00	R 2,317.00	R 2,477.50	R 10,531.50	
The Royal Household		R 2,080.00	R 0.00	R 0.00	R 0.00	R 0.00	R 2,080.00	
Transport		R 520.00	R 77,750.00	R 34,184.00	R 13,596.00	R 6,147.50	R 132,197.50	
North West Provincial Administration		Provincial Legislature	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00
		Agric, Conservation & Environment	R 16,120.00	R 37,791.00	R 14,288.00	R 4,634.00	R 3,213.90	R 76,046.90
	Dev Local Government & Housing	R 29,640.00	R 3,315.00	R 3,472.00	R 0.00	R 0.00	R 36,427.00	
	Economic Development & Tourism	R 5,200.00	R 0.00	R 0.00	R 0.00	R 0.00	R 5,200.00	
	Education	R 137,280.00	R 29,130.00	R 58,032.00	R 23,170.00	R 16,350.00	R 263,962.00	
	Finance	R 0.00	R 21,416.00	R 5,208.00	R 0.00	R 600.00	R 27,224.00	
	Health	R 299,000.00	R 209,068.00	R 70,720.00	R 22,762.00	R 24,794.40	R 626,344.40	
	Office of the Premier	R 7,800.00	R 12,355.00	R 5,448.00	R 2,317.00	R 600.00	R 28,520.00	
	Public Works	R 10,920.00	R 121,217.00	R 12,632.00	R 6,849.00	R 5,898.60	R 157,516.60	
	Social Development	R 0.00	R 0.00	R 1,816.00	R 0.00	R 0.00	R 1,816.00	
	Sport, Arts & Culture	R 51,480.00	R 1,130.00	R 5,448.00	R 0.00	R 9,000.00	R 67,058.00	
	Transport, Roads & Community Safety	R 56,160.00	R 52,996.00	R 21,312.00	R 4,532.00	R 7,454.42	R 142,454.42	





<b>Western Cape Provincial Administration</b>	Agriculture	R 0.00	R 7,345.00	R 19,976.00	R 9,268.00	R 0.00	R 36,589.00	
	Community Safety	R 2,160.00	R 12,430.00	R 19,976.00	R 9,268.00	R 5,718.74	R 49,552.74	
	Cultural Affairs & Sport	R 0.00	R 7,910.00	R 3,632.00	R 2,317.00	R 0.00	R 13,859.00	
	Economic Development & Tourism	R 0.00	R 565.00	R 1,816.00	R 0.00	R 0.00	R 2,381.00	
	Education	R 1,620.00	R 1,010,785.00	R 768,168.00	R 229,383.00	R 227,772.71	R 2,237,728.71	
	Environmental Affairs & Development Planning	R 3,780.00	R 2,825.00	R 0.00	R 0.00	R 0.00	R 6,605.00	
	Health	R 0.00	R 610,200.00	R 530,272.00	R 178,409.00	R 84,110.92	R 1,402,991.92	
	Local Government & Housing	R 6,480.00	R 10,170.00	R 9,080.00	R 4,634.00	R 0.00	R 30,364.00	
	Premier	R 0.00	R 6,215.00	R 7,264.00	R 4,634.00	R 2,509.90	R 20,622.90	
	Provincial Treasury	R 0.00	R 565.00	R 5,448.00	R 4,634.00	R 2,400.00	R 13,047.00	
	Social Development	R 1,080.00	R 22,035.00	R 16,344.00	R 4,634.00	R 8,029.25	R 52,122.25	
	Transport & Public Works	R 540.00	R 23,730.00	R 23,608.00	R 6,951.00	R 3,012.45	R 57,841.45	
	<b>Mpumalanga Provincial Administration</b>							
	Sports, Arts and Culture	R 10,920.00	R 0.00	R 1,816.00	R 0.00	R 0.00	R 12,736.00	
Office of the Premier	R 0.00	R 1,080.00	R 0.00	R 2,215.00	2,195.93	R 5,490.93		
Health and Social welfare	R 0.00	R 33,785.00	R 30,392.00	R 23,068.00	28,115.46	R 115,330.46		
Department of Finance	R 3,640.00	R 4,370.00	R 3,552.00	R 0.00	R 0.00	R 11,562.00		
Department of agriculture	R 0.00	R 0.00	R 14,048.00	R 6,747.00	2,280.00	R 23,075.00		
Department of education	R 0.00	R 68,640.00	R 157,168.00	R 143,217.00	94,785.00	R 463,810.00		
Department of safety and security	R 0.00	R 5,400.00	R 0.00	R 0.00	-	R 5,400.00		
Department of local and housing	R 0.00	R 0.00	R 10,416.00	R 2,215.00	4,560.00	R 17,191.00		
Public works	R 0.00	R 6,630.00	R 5,208.00	R 11,177.00	4,388.13	R 27,403.13		
Roads and transport	R 6,240.00	R 4,495.00	R 9,000.00	R 8,962.00	4,622.00	R 33,319.00		
<b>Eastern Cape Provincial Administration</b>								
Sports, Arts and Culture	R 0.00	R 20,380.00	R 9,000.00	R 0.00	R 0.00	R 29,380.00		
Office of the Premier	R 2,600.00	R 1,816.00	R 1,816.00	R 0.00	R 0.00	R 4,416.00		
Roads and transports	R 0.00	R 95,350.00	R 23,368.00	R 26,988.00	603.20	R 146,309.20		
Health and Social welfare	R 0.00	R 244,160.00	R 113,664.00	R 161,214.00	184,046.46	R 703,084.46		
Department of agriculture	R 0.00	R 24,890.00	R 7,024.00	R 11,381.00	1,862.53	R 45,157.53		
Department of education	R 0.00	R 213,155.00	R 401,008.00	R 326,275.00	64,714.44	R 1,005,152.44		
Department of safety and security	R 0.00	R 0.00	R 1,816.00	R 0.00	R 0.00	R 1,816.00		
Provincial treasury	R 0.00	R 9,255.00	R 5,368.00	R 0.00	R 0.00	R 14,623.00		
Department of local and housing	R 0.00	R 25,365.00	R 28,896.00	R 16,015.00	2,280.00	R 72,566.00		
Public works	R 0.00	R 29,345.00	R 21,152.00	R 2,215.00	2,451.00	R 55,163.00		
Economic affairs, environment & tourism		R 8,150.00	R 21,232.00	R 0.00	R 0.00	R 29,382.00		