



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

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URGENT

TO HEADS OF NATIONAL AND PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

For Attention: PILIR Champions/Director: Human Resource


**POLICY AND PROCEDURE ON INCAPACITY LEAVE AND ILL-HEALTH RETIREMENT (PILIR):
EXTENSION OF THE CONTRACT WITH METROPOLITAN HEALTH RISK MANAGEMENT (PTY)
LTD TO DISPOSE OF THE STOCKPILED PILIR APPLICATIONS**

1. In Circular 17/2/2/P dated 2 December 2014 the DPSA provided documentation as to the processes to be followed on how the disposal of the stockpiled PILIR applications would unfold and departments were advised that the due date for the finalization of all PILIR stockpiled applications is 31 March 2016.
2. The DPSA, has closely monitored progress on the submission of reported stockpiled applications and adherence to timeframes. According to our assessment there are-
 - 2.1. still Departments which have to date not signed their contracts with Metropolitan Health Risk Management (MHRM). These Departments, according to the PERSAL records do have stockpiled applications that must be assessed.
 - 2.2. Departments which have signed contracts but still have not finalised their Supply Chain Management documentation to facilitate payments for services rendered.
 - 2.3. Many Departments which have failed to comply with agreed and extended timeframes.
 - 2.4. Many Departments which have still not submitted all their recorded stockpiled applications to MHRM for assessment.

3. Due to non-compliance by Departments to the stipulated time-frames for the submission of stockpiled PILIR applications to the appointed service provider and the fact that there will be no other mechanism after 31 March 2016 to deal with stockpiled applications still with Departments and grievances resulting from the process, the DPSA is left with no other alternative other than to extend the current contract to a revised termination date of 31 March 2017. This will allow departments a final opportunity to conclude on the submission and processing of the stockpiled applications. We want to reiterate that it is incumbent on Departments to submit a certification letter to the DPSA, under signature of the Head of Department when they do not have any stockpiled PILIR applications that need to be processed and when they have dispensed with all their stockpiled applications.
4. With the conclusion of the agreement to extend the contract, approval has also been granted for a review of the fee payable in line with the percentage increase in the Consumer Price Index (CPI) during the preceding 12 (twelve) month period, i.e. January to December. The adjusted fees depicted in the table are applicable with effect from the 1 April 2016:

Description of Fee	Current Fee	Revised Fee
Temporary incapacity leave for short periods(<29 days)	R 780.74	R 816.65
Temporary incapacity leave for long periods(>29 days)	R 2 507.02	R 2 622.34
Ill-health Retirement	R 3 199.18	R 3 346.34
Medical referrals	R 3 228.02	R 3 376.51

5. You are reminded that the disposal of the stockpiled PILIR applications is a Ministerial directive which must be dispensed with in terms of PILIR. Non-compliance will result in legal challenges and audit findings. In the light of the aforementioned you are urged to redouble your efforts in disposing of the PILIR stockpiled applications to ensure that the due date of 31 March 2017 is met.


DIRECTOR-GENERAL
 DATE: 22/02/2016