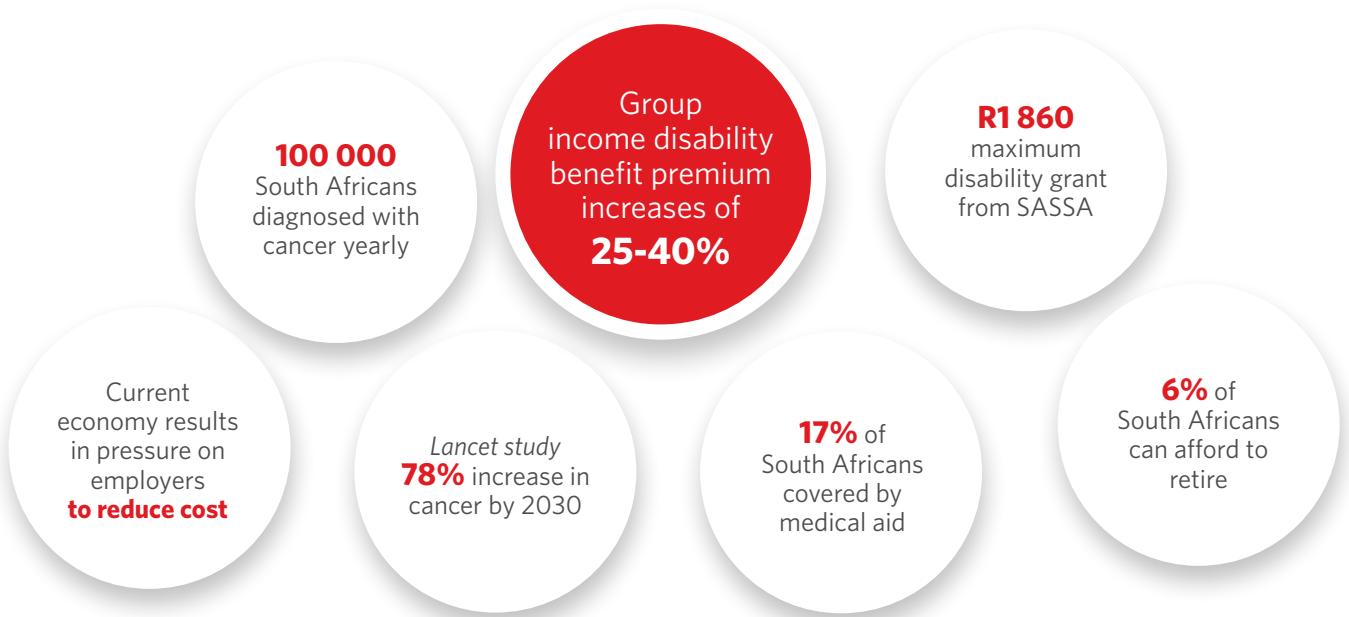




# Disability 2.0

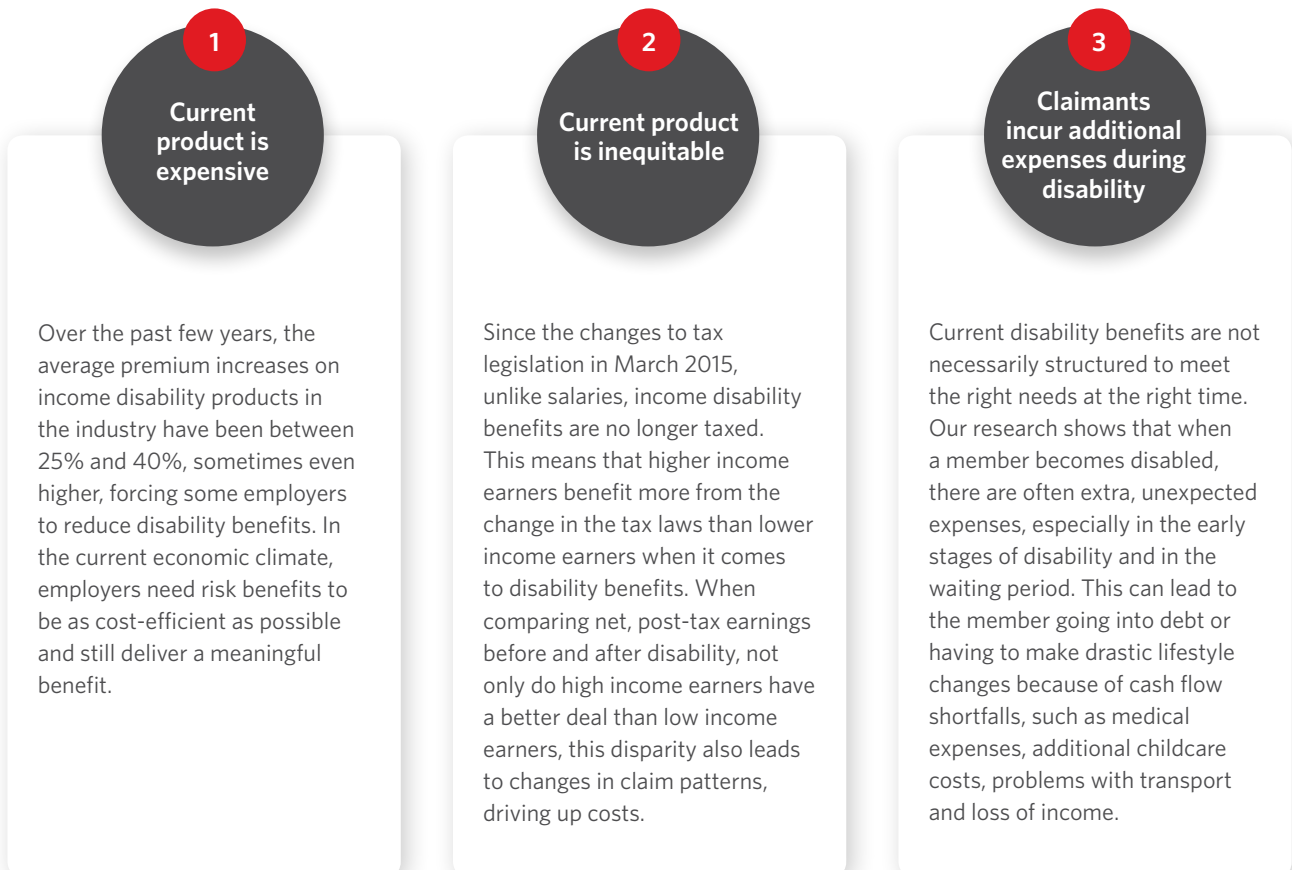
Disability benefits  
reimagined

**momentum**  
corporate



## Research insights

We are constantly searching for new and innovative ways to improve our products through our agile home grown research. In 2018, we engaged extensively with employers, disability claimants and financial advisers. We wanted to know what worked and what didn't, where there was room to improve products and processes, and what the experience of becoming disabled really involved. We have learnt a lot and some of the insights we gained are:



**The result is our new, revolutionary disability 2.0 benefit that better meets our clients' needs. It is a more affordable benefit with the same relative benefit amount for all members.**

This benefit changes the timing of benefit payments and reduces inequality between the different income groups. Subsequently, the cost of the disability benefits can reduce by up to 30%, depending on the salary profile of the members. This is a significant saving!

"I'm worried that in the event of disability I won't have enough cash to cover extra medical costs."

**John Smith\***  
Member

"Income disability pricing has been unsustainable and creates a difficult advice environment."

**Nadeema Adams\***  
Financial adviser

"I had to sell my TV and washing machine in the waiting period"

**Bongi Dlamini\***  
Claimant

"...after my accident, my wife, my daughter and I had to move in with my parents."

**Prisha Naidoo\***  
Claimant

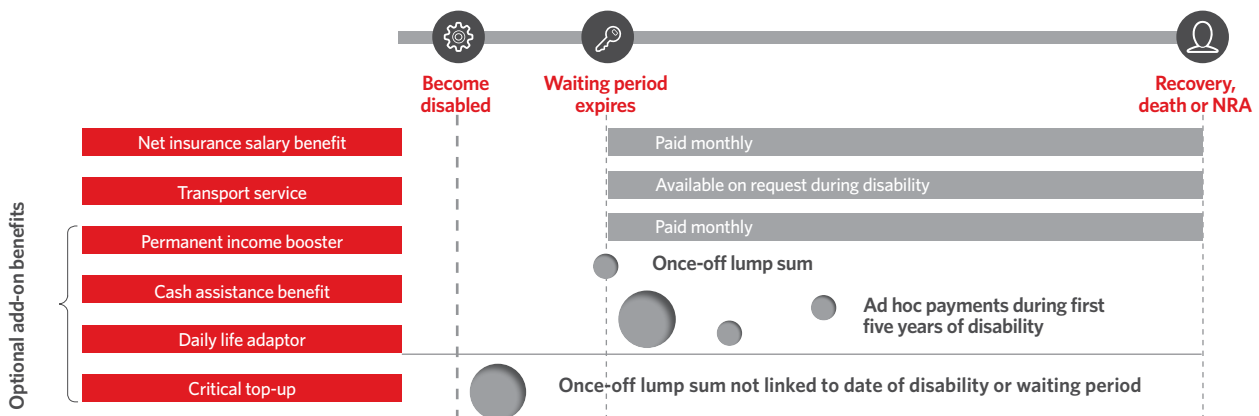


\* The names of the people who gave these testimonials have been changed to protect their privacy.

We used these insights to reimagine and improve the way we pay disability benefits. Not all members have the same needs and our members want an experience that is personalised and meets specific needs at times when it matters most. The disability claims process can often be very complex and time consuming, but the need is a solution that is simple, flexible and efficient.

## Disability 2.0

Disability 2.0 is different. Benefits are paid in a way that better match the real needs of the member and at a time when they need them most.



The core benefit is still a monthly income disability benefit that is paid when a member is unable to work. A monthly income is the main thing, but it is not the only thing.

Disability 2.0 also includes:

- lump sum benefits, paid as the critical top-up and the cash assistance benefit;
- ad hoc payments as and when they are needed, under the daily life adaptor benefit; and
- ongoing, regular benefit payments like the permanent income booster and the point-to-point transport service.

### The monthly benefit

We offer a benefit of up to 100% of net insurance salary. In calculating the net insurance salary, the employer provides us with a risk salary amount for each member in the scheme. The risk salary can be the cost to company, pensionable salary or gross salary, just as it always was. We then calculate a proxy for tax by applying the latest tax scale to the risk salary provided. If there are retirement fund contributions, we will use this amount as a deduction when we do our calculations. So the net insurance salary is the risk salary less the tax amount.



## The additional benefit options

Nobody plans to become disabled and many don't think about the financial problems they might face. Often a monthly benefit on its own is not enough. Our additional benefits give members the extra financial help they need. These components are optional, and employers can choose what to include, in any combination.

- The **daily life adaptor** pays for physical adaptations a claimant might need to make to their home, place of work and car. This is done to improve mobility and the ability to perform day-to-day tasks. The benefit is subject to a maximum of R100 000. Because every claimant is unique, we will work with a dedicated occupational therapist to determine each claimant's specific needs. We will make all the arrangements and will pay the costs directly to the service provider to minimise the hassle for the claimant.
  - The **permanent income booster** increases the income disability benefit to 100% of net insurance salary if the claimant is permanently incapacitated or terminally ill. A member will qualify for the benefit if they are unable to perform two or more prescribed activities of daily living. The permanent income booster option provides a comprehensive benefit to the claimants who need it most.
  - The **critical top-up** allows for two times the monthly income disability benefit to be paid when the member has suffered a specific defined and listed event or condition.
- This includes certain pre-defined conditions and injuries as a result of an accident. This is subject to a maximum of R100 000 and can assist in addressing the gap in the waiting period if a member is seriously ill or has run out of sick or annual leave.
- The **cash assistance benefit** is a lump sum to the value of three times the monthly income disability benefit and is paid after the waiting period to all claimants who receive the full income disability benefit. This benefit can be used for anything from paying medical expenses to minor debts after becoming disabled. The purpose of this benefit is to provide financial assistance to the claimant to help avoid the lasting consequences of short-term cash flow issues.
  - The **point-to-point transport** service provides transportation in the surrounding area of any of the major metropolitan regions; Johannesburg, Pretoria, Cape Town and Durban. These trips of up to six one-way or three return per year and as far as 50km per trip can be used to reduce dependency on family and close friends for transportation.

Tumi's employer chose all the additional options when switching to disability 2.0 and a benefit level of 85% of net insurance salary.

Tumi sustained serious injuries in a car accident and is unable to work for 2 years while he recovers.



Tumi, 50 earning R30 000 p.m.

Tumi receives the following benefits:

- Monthly income disability benefit R21 751 p.m. after the waiting period;
- Lump sum cash assistance benefit of R65 252 as soon as the monthly benefit starts;
- Critical top-up benefit of R43 502 paid immediately as a cash lump sum;
- Up to R100 000 will be spent on making changes to his home so that he can get around independently;
- Point-to-point transport service to go to physiotherapy appointments.

If Tumi is so badly injured that he is permanently unable to look after himself and qualifies for the permanent income booster benefit, his monthly benefit would increase to R25 589 p.m.



*Note: these numbers are based on the 2020 / 2021 tax tables.*

Our unique focus is on the claimant, not the claim.

The Wellness Care Centre is a dedicated team looking after our disability claimants. Our passion is people. The team cares about the wellbeing of all people and this motivates us to do the right thing for all our clients. Everything we do is focussed on helping disability claimants get the care they need through this unforeseen life event. This could mean equipping a claimant to get back to work where possible, or ensuring we pay the disability benefit if they are unable to return to work.



## What sets us apart?

- **Medically trained staff** - we are the only insurer in South Africa where all claim decisions are made by medically qualified staff, such as occupational therapists and physiotherapists.
- **Quality decisions** - we pay valid claims that are assessed against objective and consistent best practices. Each of our 52 medically trained experts deal with two to three claims a day, which is intentionally lower than the industry norm. This means that each claimant is given the proper level of attention and focus.
- **Ombudsman** - even though we have the largest book in the market, we have one of the lowest complaints ratios in the industry.
- **Risk management** - we provide client-specific and automated reports and have the ability to benchmark a client against other clients on our book to identify the issues that are specific to them, such as medical trends. We also recommend process improvements and targeted interventions.
- **Cost saving** - our active case management could mean a significant saving for employers. In the long term, financial sustainability of risk benefits means that we can cover, and ultimately help, more people.
- **Wider Momentum** - being part of a leading financial services group means that Momentum members enjoy efficient and comprehensive service delivery. Our Fastlane nurses and membership of Multiply are just some of the advantages for our members.

Claiming for disability should be a simple and clear process that employers and claimants can easily manage. The Wellness Care Centre is there to help every step of the way; from starting the claims process and assessing the claim, to assisting the member with rehabilitation and reskilling.

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