



# PPS Sickness and Permanent Incapacity Benefits

## INTRODUCTION

Designed to replace or supplement the graduate professional's income when unable to practice his or her occupation, the PPS Sickness and Permanent Incapacity Benefit is a monthly benefit that pays out should the member (as life-insured) not be able to perform his/her usual professional duties due to a sickness or condition. The payment is based on the member's benefit amount.

The PPS Sickness and Permanent Incapacity Benefits is just one of the risk products offered as part of the PPS Provider range of products.

## KEY BENEFITS

SICKNESS BENEFIT TERM	
<b>SICKNESS BENEFIT</b>	<p>The Sickness benefit supports the member (as life-insured) for up to two years (728 days) to recover fully from the sickness or condition, or to adjust his usual professional duties within his/her profession or to change his/her work methods due to the impact of the sickness or condition.</p> <p><b>7-DAY WAITING PERIOD:</b> PPS will pay the member a sickness benefit if unable (totally) to attend to his/her usual professional duties for 7 (or more) consecutive days due to sickness or a medical condition. The benefit is payable from day 1. If, after a valid total sickness claim, the member is able to perform some of his/her usual professional duties but is still not able to carry out normal duties or work normal hours, PPS will pay the member a partial sickness benefit (50%). If not totally unable for 7 consecutive days but totally/partially unable for at least 30 consecutive days, the benefit will pay from day 31.</p> <p><b>30-DAY WAITING PERIOD:</b> PPS will pay the member a sickness benefit if unable (totally or partially) to attend to his/her usual professional duties for 30 (or more) consecutive days due to sickness or a condition. The benefit is payable from day 31.</p>
<b>ACTUAL BUSINESS EXPENSES BENEFIT</b>	<p>The Actual Business Expenses Benefit covers the member's business expenses during the Sickness claim period. PPS will pay the member the Actual Business Expenses benefit together with the Sickness benefit for every successful sickness claim.</p>
<b>PREGNANCY-RELATED SICKNESS BENEFIT</b>	<p>PPS will pay the member a Sickness benefit if unable to attend to her usual professional duties due to sickness or a condition attributable to pregnancy, confinement or miscarriage.</p> <p>NOTE: The sickness must meet the normal claims criteria, the member's benefit waiting period, and must be confirmed by a Gynaecologist/Obstetrician.</p>
PERMANENT INCAPACITY BENEFIT TERM	
<b>PERMANENT INCAPACITY BENEFIT</b>	<p>As a natural progression to the sickness benefit and after a sickness claim has been paid for an accumulated 728 days, if the member (as life-insured) is still unable to attend to his/her usual professional duties, he/she will be assessed for the Permanent Incapacity Benefit. The assessment will be done in accordance with the Permanent Incapacity Assessment Process and an appropriate award will be made to compensate for the loss of ability to perform usual professional duties and generation of professional earnings. The award may be made as either a total Permanent Incapacity benefit or partial Permanent Incapacity benefit.</p> <p>PPS will pay the member a total Permanent Incapacity Benefit (100%) if the member:</p> <ul style="list-style-type: none"> <li>▪ Is totally unable to attend to his/her usual professional duties;</li> <li>▪ Even with adaptations to work methods / duties; and</li> <li>▪ Realignment of professional duties within his/her specific profession is not feasible.</li> </ul> <p>PPS will pay the member a partial Permanent Incapacity Benefit (20% or 60%) if the member:</p> <ul style="list-style-type: none"> <li>▪ Is partially, but not totally, unable to perform his usual professional duties.</li> </ul>

## KEY DIFFERENTIATORS

<b>GENERAL</b>	There is no similar product in the South African Insurance market.
	Covers 100% of a member's earning ability, considering the impact of a sickness or condition thereon, both now as well as in the future.
	The product is designed to support the professional throughout the whole process of sickness or impairment and not merely during the first 2 years or after the first 2 years.
	Covers a member for his / her usual professional duties performed immediately before the onset of the sickness or condition. For example, an architect, employed as a project manager, visiting construction sites daily will be assessed exactly as such and not merely as an architect.
	Free cover after the benefits are underwritten (discussed below).
	Direct profit allocation to the PPS Profit-Share Account, even when receiving a benefit payment from PPS
	No aggregation or benefit offset against income or any other benefits received, be it lump-sum or income benefits
	Cover remains in place if changing to an occupation eligible for PPS but not in line with the member's qualification
	PPS offers unique global cover, be it travel or emigration, no restrictions or loadings applied and no need to inform PPS of travel activities.
	PPS also offers exclusive cover when partaking in any hazardous activity or sport (such as scuba diving, motorised racing or sailing), no restrictions or loadings applied and no need to inform PPS of activities.
Occupational therapy and rehabilitation assistance offered where possible	
<b>SICKNESS BENEFIT</b>	Every unrelated sickness or condition has a 728 day benefit – a member can receive more than 728 days' benefit.
	The sickness may be continuous or intermittent, and the benefit can pay out for both partial and total sickness.
	No Specific injuries, hospitalisation, or loss of income required to claim for sickness – only the completed claims forms.
	Simple claims process – easy-to-complete member claim form and declaration by a medical doctor.
	The 7-day waiting period: <ul style="list-style-type: none"> <li>• Pays all claims retrospectively from day 1, there are no conditions excluded from retrospective payments</li> <li>• Available to both salaried (corporate) and self-employed professionals</li> <li>• Once a claim cycle for a specific condition has been started, there are no additional waiting periods, further claims for the same condition at a later stage may be submitted without the need to again fulfil the 7-day waiting period</li> <li>• If not totally unable to work for 7 continuous days but totally and partially unable to work for 30 continuous days, the benefit will pay from day 31</li> </ul>
The 30-day waiting period: <ul style="list-style-type: none"> <li>• Both total and partial inability to work count towards the waiting period</li> </ul>	
<b>ACTUAL BUSINESS EXPENSES BENEFIT</b>	A member can cover 100% of his/her actual business expenses.
	Part of the Sickness benefit – Follows the same claims form, waiting period and duration. When the Sickness benefit pays out, the Actual Business Expenses benefit automatically pays out.
<b>PREGNANCY-RELATED SICKNESS BENEFIT</b>	Automatically available to all female policyholders at no additional premium.*
	Covers pregnancy-related conditions like any other sickness or medical condition.
	Covers elective Caesarean Sections.
	Same claims process as the Sickness benefit, it is only necessary to add a report from the treating obstetrician and proof of hospital admission (if applicable).
<b>PERMANENT INCAPACITY BENEFIT</b>	Compensates for the loss of ability to earn professional earnings (both current and future), not loss of income.
	More comprehensive than an "own occupation" disability benefit as it covers a member's specific usual professional duties and not only the general duties of his / her broader occupation.
	Covers both temporary and permanent conditions.
	Towards the end of the sickness period PPS already starts considering the claim for incapacity, ensuring that there is no gap between the expiry of the sickness period and start of the incapacity period.
	Claims are assessed through PPS's published Permanent Incapacity Assessment Process, a fair process that treats each member individually.

\* No benefit payable for claims within 10 months of the start date of the benefit.

## KEY FEATURES

Flexible benefit retirement ages available: <ul style="list-style-type: none"> <li>Sickness benefit continues up to age 60, 65, 70 or even for whole of working life</li> <li>Permanent Incapacity benefit retirement age the same as Sickness (if whole of working life sickness then the member selects a Permanent Incapacity retirement age of 60, 65 or 70)</li> </ul>
A choice of 2 premium patterns (level or age-rated), differentiated by gender and smoking status
The benefit pays out tax-free (premiums are not tax deductible)
Benefits increase with the PPS declared annual benefit increases
PPS does not charge any policy administration fees
Maximum entry age for cover ending at 65, 70 or continuing for whole of working life - 61
Minimum cover amount - R 6 000 per month for the Sickness, Actual Business Expenses and Permanent Incapacity benefits respectively
Maximum cover amount - R 208 333 per month for the Sickness, Actual Business Expenses and Permanent Incapacity benefits respectively

## OPTIONAL BENEFITS

SICKNESS BENEFIT TERM	
<b>ADMISSION RIDER BENEFIT</b>	<p>The Admission Rider Benefit provides additional funds which may be used to cover non-medical expenses due to the member's hospitalisation. PPS will pay the member a benefit if unable to attend to his/her usual professional duties for 4 (or more) consecutive days due to hospitalisation. The benefit is payable from day 1.</p> <p>NOTE: This is not a medical scheme and the cover is not the same as that of a medical scheme. This policy is not a substitute for medical scheme membership.</p>
<b>FAMILY RESPONSIBILITY RIDER BENEFIT</b>	<p>The Family Responsibility Benefit allows the member to take time off work when family members are hospitalised or provides funds which may be used to cover non-medical expenses due to the hospitalisation of a family member. The Child Terminal Illness benefit pays the benefit upfront, removing the necessity to submit ongoing claims, allowing the member to focus on supporting his family. The Child Death benefit allows the member to cover funeral costs and support his family.</p> <p>PPS will pay the member a benefit if his/her spouse or child is hospitalised for 3 (or more) consecutive days. Benefit payable from day 1. PPS will pay the member a child terminal illness benefit (upfront lump-sum benefit equal to up to 12 months' benefit) if a child is diagnosed with a terminal illness and likely to die within 12 months. If no child terminal illness benefit was payable and a child passes away, PPS will pay up to 1 months' benefit.</p> <p>NOTE: This is not a medical scheme and the cover is not the same as that of a medical scheme. This policy is not a substitute for medical scheme membership.</p>
PERMANENT INCAPACITY BENEFIT TERM	
<b>PERMANENT INCAPACITY BOOSTER</b>	<p>Once a Permanent Incapacity award has been made, the Permanent Incapacity Booster will automatically convert the award to a non-reviewable 100% award.</p>

## KEY DIFFERENTIATORS OF THE OPTIONAL BENEFITS

<b>ADMISSION RIDER BENEFIT</b>	No prescribed list of illnesses or conditions
	Pays out on its own if hospitalised for 4 or more days but less than the sickness waiting period
	Pays out in addition to sickness benefit if hospitalised for the full sickness waiting period
	All valid claims are paid retrospectively from day 1
<b>FAMILY RESPONSIBILITY RIDER BENEFIT</b>	No prescribed list of illnesses or conditions
	Covers biological-, step- and adopted children
	All valid claims are paid retrospectively from day 1
	No need to specify the spouse or child(ren) upfront
	Spouse or child(ren) not medically underwritten upfront
If a child is diagnosed with a terminal illness and likely to pass away within 12 months, the benefit pays up to 12 months' benefit upfront, removing the necessity to submit monthly claims. If a child passes away, up to 1 months' benefit is paid	

<b>PERMANENT INCAPACITY BOOSTER</b>	Unique benefit offered only by PPS, unmatched by other offerings in the insurance market
	No separate assessment process, at the end of the Permanent Incapacity Assessment Process the award given is simply topped up
	Award is never reviewed and payable until the member reaches the chosen Permanent Incapacity benefit retirement age
	Benefit pays out even if the member continues working without aggregation

## KEY FEATURES OF THE OPTIONAL BENEFITS

<b>ADMISSION RIDER BENEFIT*</b>	Payable for up to 6 months (182 days) in a 12 month (364 days) cycle
	Benefit stops at the age of 65. If the chosen sickness retirement age is 60, then the benefit stops at age 60
	Premium pattern the same as chosen on the PPS Sickness and Permanent Incapacity Benefits
<b>FAMILY RESPONSIBILITY RIDER BENEFIT**</b>	Covers children between the ages of 4 months and 21 years, and spouses until they are 70
	Payable for up to 3 months (91 days) in a calendar year
	A choice of 2 benefit retirement ages, namely 60 or 65
	Premiums are not differentiated by gender or smoking status with a rate applicable up to age 40 and another rate applicable from age 40 onwards
	The Child Terminal Illness benefit is payable after a 14-day survival period and pays up to a maximum of 12 months' benefit, or R600 000
<b>PERMANENT INCAPACITY BOOSTER</b>	The Child Death Benefit is payable if no child terminal illness benefit is payable and pays up to a maximum of: <ul style="list-style-type: none"> <li>▪ 1 month's benefit, or R50 000, or</li> <li>▪ For children under the age of 14, the maximum payout per child is limited by the Long term Insurance Act to: <ul style="list-style-type: none"> <li>▪ Children aged 4 months - 5 years: R10 000</li> <li>▪ Children aged 6 - 13 years: R30 000</li> </ul> </li> </ul>
	Benefit stops at the benefit retirement age applicable to Permanent Incapacity
	Premium pattern the same as chosen on the PPS Sickness and Permanent Incapacity Benefits

## FREE COVER

**Free cover** is offered to members under the age of 62 at date of application, from the latest of: The date PPS underwriting accepts the benefits, or 30 days before the selected inception date provided that underwriting acceptance has taken place.\*\*\*

Members will enjoy full benefits as applied for from the above date until the inception date of the policy without the need to pay premiums for this period, subject to terms and conditions.

## SHARE IN THE PROFITS

As part of the Provider range of products, members with the PPS Sickness and Permanent Incapacity Benefits receive direct profit allocations to their PPS Profit-Share Accounts, irrespective of whether the member is in claim or not. In 2018 members with the differentiated PPS Sickness and Permanent Incapacity Benefits received an allocation of 15% of their premiums. \*\*\*\*

\* 30-day (1-month) waiting period from start date of benefit. This waiting period is waived if the member is hospitalised due to an accident.

\*\* Overall 3-month waiting period from start date of benefit. Child Terminal Illness & Child Death Benefit have a 6-month waiting period. The waiting period for the Child Death Benefit is waived if the child passes away due to an accident. Pre-existing conditions have a waiting period of 12 months for hospitalisation. Pre-existing conditions are excluded from the Child Terminal Illness and Child Death Benefits.

\*\*\* Acceptance is when the benefits: 1. Are accepted at ordinary rates, or 2. Are accepted with loadings and/or exclusions and the Counter Offer terms are accepted by the member.

\*\*\*\* Excluding premiums paid on loadings and rider benefits

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