

PENSION CALCULATION: A GLOSSARY OF TERMS

DISABILITY SCHEDULED PERCENT

The Permanent Disability Evaluation Schedule helps WorkSafeBC determine the amount of your disability award under section 23(1) of the *Workers Compensation Act of British Columbia* (the Act). The schedule assigns a percentage of total disability to each of your specified disablements. It does not necessarily determine the final amount of the award, because WorkSafeBC is free to take other factors into account. Thus, the schedule provides a guideline or starting point for the measurement, rather than a fixed result.

AGE ADAPTABILITY

If you are over the age of 45 at the effective date of the scheduled award, the percentage rate will be increased by 1 percent of the assessed disability for each year over age 45 up to a maximum of 20 percent of the assessed disability. Suppose, for example, that you were 55 at the effective date of the award. The scheduled award for your disability would be 50 percent. The age adaptability factor would be 10 percent of 50 percent, which means an overall disability rating of 55 percent.

DISABILITY NON-SCHEDULED PERCENT

Any award where the Permanent Disability Evaluation Schedule is not used in the assessment is referred to as a non-scheduled award. This covers impairments in all parts of the body not listed in the schedule. Disabilities resulting from multiple injuries or occupational diseases may also involve non-scheduled awards. In the case of non-scheduled awards, WorkSafeBC uses judgment to arrive at the percentage of disability. Please note: Neither the age adaptability enhancement factor, nor devaluation, are used to calculate non-scheduled awards.

COST-OF-LIVING ADJUSTMENTS TO PENSION PAYMENTS (COLA)

Sections 25(1) and (2) of the Act provide the method for indexing your compensation payments. They provide that, as of January 1 each year, WorkSafeBC must:

- (a) Determine the percentage change in the Canadian consumer price index (as published by Statistics Canada) for all items in the 12-month period ending on October 31 of the previous year
- (b) Subtract 1 percent from the percentage change determined under paragraph (a)

Please note: COLA calculations cannot be less than 0 percent or more than 4 percent.

COMPENSATION WAGE

In calculating the award, WorkSafeBC uses the long-term wage rate already established on the claim, as prescribed in the Act.

AWARD BASE DATE

The award base date is generally either the date of injury (or disablement) or the date of reopening.

AWARD EFFECTIVE DATE

As a general rule, if you have been paid temporary disability benefits, your permanent disability award will take effect on the date following the termination of those temporary benefits.

WORKSAFEBC'S RESPONSIBILITY

What happens when a compensable injury or disease is superimposed on an already existing disability? Under section 5(5) of the Act, you will receive compensation for only a portion of your disability — a portion that may reasonably be attributed to your new compensable injury or disease.

RETIREMENT BENEFIT

Under section 23.2 of the Act, if you were injured on or after June 30, 2002, and are receiving a pension, WorkSafeBC must set aside money for your retirement. Each time you receive a disability payment, WorkSafeBC sets aside an amount equal to 5 percent of that payment. You will receive that money at your “deemed” age of retirement.

CPP DISABILITY BENEFITS

Under section 34(2) of the Act, WorkSafeBC must deduct an amount equal to 50 percent of any disability benefit that you are paid in respect of your compensable injury under the Canada Pension Plan.

If your injury occurred on or after June 30, 2002, WorkSafeBC will deduct the applicable Canada Pension Plan (CPP) disability benefits from your permanent disability award.

If your WorkSafeBC permanent disability first occurred *before* June 30, 2002, any CPP disability benefits you received for that injury will not be deducted from your permanent disability award.

RETROACTIVE PAYMENT

The retroactive payment is that portion of your permanent disability award which covers the period from the effective date of the award to the end of the month in which the award is calculated. This is paid as a lump sum less any recoveries that have to be made (see “Recoveries” below).

If your entitlement is for only part of a month, WorkSafeBC will adjust your payment accordingly.

RECOVERIES

WorkSafeBC will reduce your retroactive payments under the following circumstances:

- Periods of time during which you received wage-loss benefits and/or vocational rehabilitation allowances, following the effective date of the award

- Any administrative adjustments for permanent disability benefits already paid to you
- Any outstanding overpayments or assignments

Abbreviations of Recoveries

JSA = Job Search Allowance
(vocational rehabilitation benefits)

FT = Formal Training
(vocational rehabilitation benefits)

WA = Work Assessment
(vocational rehabilitation benefits)

TOJ = Training on the Job
(vocational rehabilitation benefits)

ABBREVIATIONS OF AWARDS IN LONG-TERM DISABILITY

Com = Commutation

DFG = Disfigurement

FNC = Former Provision Functional

LEF = Loss of Earnings Functional

LEL = Loss of Earnings for Life

LET = Loss of Earnings Term

LOE = Former Provision Loss of Earnings

LOX = Current Provision Loss of Earnings

PFX = Current Provision Functional

S24L = Section 24 Former Provision for Life

S24T = Section 24 Current Provision Term

