

PRACTICE DIRECTIVE

PROVISIONAL RATES

As part of our Guiding Principles document and to meet the goal of improving our level of client service, we are adopting a process aimed at expediting first payments where we are awaiting earnings information.

Article #66.12 of the Rehabilitation Services and Claims Manual, outlines wage loss compensation being based on a ***provisional rate*** if there is a delay in obtaining information as to the claimant's actual earnings. The calculation of the provisional rate is discretionary and should take into account the actual circumstances of the worker. Upon receipt of sufficient earnings information the rate may be adjusted retroactive to the date of disablement. As well, the worker must be notified of the setting of a provisional rate and an overpayment may be declared with respect to the difference between the true entitlement and the amount actually paid.

In future, when a claim file is '***acceptability decision ready***' the officer/adjudicator will, in the same day:

- (A) calculate a ***provisional wage rate***
- (B) process the first payment
- (C) forward a form letter to the worker confirming the provisional rate and what information is required to set a proper retroactive rate
- (D) keep file active (if not an open payment) pending receipt of earnings information. Guideline for awaiting the earnings info should not exceed 4 weeks, unless there are mitigating circumstances.

ONGOING MANAGEMENT:

- (E) file should remain active for a reasonable period and before claim is made non-active a decision will be rendered on the rate and an overpayment may result
- (F) upon establishment of the initial rate *and* there is an overpayment this will be deemed an administrative overpayment and recovered under our normal procedures

Exceptions to the above, as follows:

- No need to follow above process if the acceptability decision is within 14 calendar days of date of injury, **but** if file has not received the earnings information within the 15th day following date of injury please refer to above.
- If Payee 2 and the worker is receiving income continuity, i.e. receiving usual salary and the employer is not awaiting our first payment.
- The injured worker is self-employed and cannot provide acceptable confirmation of earnings information.

The new procedure will be effective March 25, 1996.

Provisional rate letter:

_____ (Date) _____

Dear _____:

This letter will confirm that your claim for wage loss and medical benefits resulting from your injury of _____ (Date) _____ has been accepted.

Unfortunately, there is insufficient evidence currently on file to permit me to establish a proper wage rate for wage loss benefits. In order to ensure continuity of income to you, I have concluded that you should be paid a provisional amount until such time as I have sufficient evidence to make a decision. The provisional amount will be paid to you until I determine the proper wage rate, at which time the proper adjustments will be made.

Your weekly provisional wage rate has been set at \$ _____ and your net weekly provisional rate is \$ _____. In order to establish a wage rate consistent with your earnings at the time of the injury, we require the following earnings information:

Please provide this information as soon as possible.

In the meantime, I will review your rate regularly. I may reduce your rate if I don't receive the evidence to support it.

When your actual earnings are received, your wage rate will be reviewed and retroactively adjusted. If this results in a lower rate, an overpayment will be declared for the difference between the true entitlement and the amount actually paid to you.

If the details or reasons for setting this provisional wage rate are not clear to you, please feel free to contact me by telephone.

Yours truly