

Additions in Bold; Deletions Strikethrough

## CHAPTER 6

### PERMANENT DISABILITY AWARDS

#### #36.20 Canada Pension Plan Disability Benefits

Section 34(2) of the *Act* provides:

Subject to sections 7(4.1), 22(2) and 23(4), the Board must deduct, from the amount of a periodic payment of compensation paid to a worker under section 22(1) or 23(1) or (3) for an injury, an amount equal to 50% of any disability benefit that the worker is paid in respect of the injury under the *Canada Pension Plan*.

The Board deducts applicable Canada Pension Plan (“CPP”) disability benefits from a worker’s permanent disability award where the injury occurs on or after June 30, 2002. Where a worker was injured before June 30, 2002 and the permanent disability first occurred on or after June 30, 2002, CPP disability benefits paid to the worker for the same injury will not be deducted from the worker’s permanent disability award.

Where a worker is paid CPP disability benefits for his or her dependent children, the Board does not deduct CPP disability child benefits from the worker’s permanent disability award.

#### #36.21 Confirmation of CPP Disability Payments

The Board will advise a worker of the legislative requirement that CPP disability benefits be deducted from the worker’s permanent disability award. To ensure that only the portion of CPP disability benefits related to the injury is deducted from a worker’s permanent disability award, the Board needs information from Human Resources Development Canada confirming that the worker is receiving CPP disability benefits, the effective dates (start and end dates), the medical condition(s) for which CPP disability benefits are being paid and benefit amount. Workers are responsible for providing CPP information to the Board.

The worker’s obligation to provide information to the Board to administer the claim is discussed in policy item #93.26.

The Board will also advise a worker of the obligation to provide necessary CPP information and the consequences of failing to comply. If a worker fails to provide the necessary CPP information, the Board may reduce or suspend the worker's permanent disability periodic payments as discussed in policy item #93.26.

**#36.22 *Determination of the Amount of a CPP Disability Benefit that is Attributed to the Compensable Work Injury***

CPP disability benefit entitlement is based on total disablement which may encompass a work injury, other disabling conditions or a combination of both.

When a worker is disabled because of the work injury and there is evidence that leads the Board to determine that the disability benefits being issued under CPP are only related to the injury, 50% of the entire CPP disability benefits paid to the worker will be deducted from the worker's permanent disability award payable by the Board.

Where a worker is disabled because of the work injury and it is unclear what amount of CPP disability benefits is attributable to the compensable work injury, the amount of the CPP disability benefits attributable to the compensable work injury is determined as follows:

- Where the permanent disability award is calculated under the loss of function method of pension assessment, the amount of the CPP disability benefits attributable to the injury is determined by using the same proportion to the total CPP disability benefits as the worker's assessed percentage of disability using the Scheduled or Non-scheduled method. The Board deducts 50% of the calculated amount from the worker's permanent disability award.
- Where the permanent disability award is calculated under the projected loss of earnings method of pension assessment, the amount of the CPP disability benefits attributable to the injury is determined by using the same proportion to the total CPP disability benefits as the worker's estimated loss of earnings bears to the worker's average net earnings. The Board deducts 50% of the calculated amount from the worker's permanent disability award.

Where a worker is disabled because of the work injury and there is evidence that leads the Board to determine that the disability benefits being issued under CPP are not related to the injury, the Board will not deduct CPP disability benefits from the worker's permanent disability award.

**#36.23    *Deduction of Lump Sum Payments of CPP Disability Benefits***

Where the Board determines a worker's permanent disability award entitlement and the worker is later advised that he or she is entitled to CPP disability benefits and is paid a lump sum amount under the CPP, the Board will deduct 50% of the applicable CPP disability benefits paid to the worker from future benefit entitlement. The Board will, as far as possible, do this in a manner which causes the least hardship to the worker. Normally, the Board will recover the amount owing by installments.

**#36.24    *Deduction of CPP Disability Benefits in Cases of Minimum Compensation***

A statutory minimum amount of compensation applies to a permanent disability award paid to a worker. CPP disability benefits will be deducted until the resulting permanent disability award amount falls to the statutory minimum.

If the permanent disability award is at or below the statutory minimum, the Board will not deduct CPP disability benefits.