



WORKING TO MAKE A DIFFERENCE

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November 05, 2015

FV EMPLOYMENT & DISABILITY LAW
UNIT 102 8047 199 ST
LANGLEY BC V2Y 0E2

03818

Dear

**REGARDING: WORKSAFEBC CLAIM NUMBER
CUSTOMER CARE NUMBER !**

Your claim has been referred to the Disability Awards Department for consideration of an award for permanent partial disability. This letter will outline that decision.

The Case Manager's letter of June 25, 2015 advised your claim has been accepted for the following permanent condition(s): a dental injury (#14 tooth), a facial nerve condition and a mild concussion.

Section 23(1) of the *Workers Compensation Act* provides if a permanent partial disability results from a worker's injury, the Board must estimate the impairment of earning capacity from the nature and degree of the injury. Loss of function is the mandatory method of assessing permanent partial disabilities. With some exceptions, permanent disability awards are paid when a worker reaches maximum recovery from a work injury or occupational disease and is left with a permanent residual disability. The issue I have to determine is if you are entitled to a functional permanent partial disability award as a result of your injury under this claim.

On review of your claim, there is sufficient information to determine your level of permanent disability. Attached is a copy of my Loss of Function review memo. This memo summarizes my assessment and pension decision. The findings indicate you have a disability and are entitled to a permanent partial disability award.

Based on these findings and all other information on file, your award is equal to 4.5% of total disability.

In calculating your award we used the long-term wage rate already established on your claim as prescribed by the *Workers Compensation Act*. Your pension is calculated based on 90% of the net monthly.

Permanent partial disability awards are payable on a monthly basis. Policy item #45.10 *Permanent Disability Periodic Payment Categories/Lump Sum Awards* provides that where a compensable disability has been assessed at not more than 10% of total

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Workers' Compensation Board of British Columbia
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disability and the permanent disability periodic payment is not more than \$200.00 per month, a lump sum will be awarded in lieu of a monthly permanent disability periodic payment and the additional future amounts to be set aside by the Board for the payment of a retirement benefit under section 23.2 of the *Act*.

Policy item #45.60, *Amount Paid on Commutations*, provides that when a monthly payment amount and the amounts set aside by the Board for a retirement benefit are converted to a lump sum, they are converted by applying an actuarial net discount rate. The actuarial net discount rate is set by the Board, and represents the anticipated difference between long term future investment returns and long term future inflation.

In other words, when calculating the lump sum amount, the Board does not simply multiply the amount of the award by the months remaining until the award terminates. Instead, the Board must apply an actuarial formula which incorporates the net discount rate, as directed by policy item #45.60, to determine the appropriate amount.

As your entitlement has been assessed at not more than 10% of total disability and the permanent disability periodic payment is not more than \$200.00 per month, your award has therefore been converted into a lump sum payment.

You are entitled to a permanent partial disability award payable in a lump sum of \$42,493.14. As stipulated under Section 23.2 of the *Act*, an additional lump sum of \$2,124.98 has been calculated representing a retirement benefit equal to 5% of your disability award. Payment in the total amount of \$44,618.12 will be sent to you under separate cover.

Section 23.1 of the *Act* provides that your monthly permanent disability award is payable to the date that you reach age 65. It recognizes that age 65 is the standard retirement age for workers. Based on the information on file, I have determined that the standard age of retirement applies in your case. Therefore, your lump sum award has been calculated on the basis of the retirement age of 65.

This payment may affect your income tax credit status for the current year. WorkSafeBC is unable to provide technical answers to taxation questions. You may therefore wish to contact your local Canada Revenue Agency.

Should your compensable condition change significantly in the future, contact your Case Manager and provide updated medical evidence about your condition.

Please call me if the information in this letter is unclear or if you wish to discuss your claim. You can reach me by telephone:

- on my direct line, 604.231.8819, or
- on WorkSafeBC's toll-free line at 1 888 967-5377, local 8819.

You can also view information about your claim file online at **WorkSafeBC.com** using your claim number and confidential Personal Access Number (click on the heading "Claims" and then "Managing claims").

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If you disagree with this decision, you can ask the Review Division to review it. You must apply for a review **within 90 days** of the date of this decision. For instructions on how to request a review, see the insert called *Claims Review and Appeal Guide* that I have included with this letter. You can also find information on our website at **WorkSafeBC.com** (click on the heading "Claims" and then "Reviews and appeals").

Sincerely,

Mr Roger Rooyackers
Disability Awards Officer
Disability Awards

Copies to: FV EMPLOYMENT & DISABILITY LAW;

Enclosure(s): CM008 Claims Review & Appeal Guide for Workers & Dependents
CM030 Your Guide to Permanent Disability Awards
CM069 Permanent Disability Award Calculation: A Glossary of Terms

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