

This factsheet has been prepared for general information purposes. It is not a legal document. Please refer to the *Workers Compensation Act* and the *Rehabilitation Services and Claims Manual, Volumes I and II* for purposes of interpretation and application of the law.

## Permanent Disability Benefits

If you suffered a work-related injury or illness that permanently impacted you or your ability to work, you may be eligible for **permanent disability benefits** as compensation for either your loss of earning capacity or for the actual physical or psychological loss from the impairment itself. WorkSafeBC will conduct a permanent disability evaluation when your work-related injury or disease results in a permanent condition.

On January 1, 2021, changes to the *Workers Compensation Act* created new rules for permanent disability benefits. The changes apply to all permanent disability benefit decisions made on or after January 1, 2021, including decisions made by the Review Division and Workers' Compensation Appeal Tribunal.

### Is there more than one type of permanent disability benefit?

There are two methods of assessing permanent disability benefits:

1. The *loss of function* method, and
2. The *loss of earnings* method.

Under the *loss of function* method of assessment, WorkSafeBC calculates any decrease in function relating to your physical or psychological impairment based upon a whole-body percentage.

Under the *loss of earnings* method of assessment, WorkSafeBC evaluates your work-related permanent or psychological injuries and estimates what you can earn in a suitable occupation within 3-5 years.

Permanent disability benefits are based on the greater of the two calculations.

### When will WorkSafeBC determine whether I am entitled to permanent disability benefits?

Your claim will be referred the Long-Term Disability Services department when:

- short-term medical treatment has ended,
- your condition is stable, and
- your physical or psychological injuries are unlikely to change in the next 12 months.

For more information:

Website: [gov.bc.ca/workersadvisers](http://gov.bc.ca/workersadvisers)

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### What can I expect when my claim is referred to Long Term Disability Services?

For most physical injuries, you will be referred to an in-person assessment with a Permanent Functional Impairment provider who will perform a series of standardized, platform-based tests to evaluate the decreased function arising from your injury. For psychological injuries, you will be referred for a Psychological Assessment to identify the nature and degree of your symptoms and how they impact your earning capacity. The information collected during either of these assessments is used to determine your entitlement to disability benefits under the *loss of function* method.

WorkSafeBC reviews the medical information on your claim, the results from the in-person assessment, and the rules and ratings in the Permanent Disability Evaluation Schedule to arrive at a percentage of total disability.

### What if I have an existing disability in the same part of my body?

If you have a pre-existing disability in the same area as your work-related injury and that injury impacted your ability to work, WorkSafeBC may only grant a loss of function benefit for the increase in your impairment.

### How is a *loss of function* disability benefit calculated?

The loss of function disability benefit is based on a decrease in function based upon a whole-body percentage. For example:

- a worker who has a loss of range of motion resulting from a right shoulder rotator cuff tear might be 10% of totally disabled; while,
- a worker who has a catastrophic injury resulting in paralysis or quadriplegia, or several serious injuries combined, would be 100% totally disabled.

Your award is based on the long-term wage rate accepted on your claim and the percentage of calculated whole-body impairment.

An example of a calculation for this method can be as follows:

Pre-injury net earnings	\$3500 / month
Loss of Function Percentage	10%
Loss of Function	\$350 / month (i.e., 10% of \$3500)
Compensation Factor: 90% of the difference	\$315/ month (i.e., 90% of \$350)

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### **How is a *loss of earnings* disability benefit calculated?**

Like the loss of function method, WorkSafeBC is required to estimate the percentage of loss of earnings when compared to your long-term wage rate. If you return to work in your original job or an accommodated position, WorkSafeBC will find that you will not have a loss of earnings. The Long-Term Disability Services department will assess your loss of earnings as 0%.

If you cannot return to your pre-injury job due to your injury, WorkSafeBC will refer you for vocational rehabilitation. You will then collaborate with a Vocational Rehabilitation Consultant, who will assess your needs and develop a plan to help you return to work. The Vocational Rehabilitation Consultant will provide an estimate of what you can earn in a suitable occupation. If your estimated earnings in the new, suitable occupation are less than your long-term wage rate, the difference forms the basis of your permanent disability benefit using the *loss of earnings* method.

For more information regarding vocational rehabilitation, please see our Factsheet [Vocational Rehabilitation](#).

### **How does the Vocational Rehabilitation Consultant estimate my long-term earning capacity?**

The Vocational Rehabilitation Consultant estimates your potential long-term earning capacity in your vocational rehabilitation plan, or with an employability assessment. This assessment evaluates:

- the permanent injuries related to your work-related incident,
- your post-injury restrictions and limitations,
- your educational training and employment history,
- your skills, natural abilities and interest in certain occupations,
- the vocational rehabilitation assistance offered by WorkSafeBC,
- the primary and alternate occupations selected by the Vocational Rehabilitation department, and
- what you can earn in those occupations within 3-5 years.

For more information on employability assessments, please see our Factsheet [Employability Assessments](#).

### **How is the *loss of earnings* disability benefit calculated?**

The Long-Term Disability Services department uses the information from your vocational rehabilitation plan or the employability assessment to assess your potential loss of earnings. Your loss of earnings is based on the long-term wage rate accepted on your claim and the difference between your percentage of lost earnings using your estimated long-term earning capacity.

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An example of a calculation for this method can be as follows:

Pre-injury earnings	\$3500 / month
Post-injury net earnings (actual or potential)	\$1500 / month
Difference in earnings	\$2000 / month (i.e., \$3500 - \$1500)
Compensation Factor: 90% of the difference	\$1800 / month (i.e., 90% of \$2000)

### How will my permanent disability benefit be paid?

WorkSafeBC will pay your disability benefit in a lump sum payment when your loss of function award is 10% or less and your monthly benefit amount is \$200 or less.

Permanent disability benefits greater than \$200 and 10% are paid at the end of each month and are deposited directly into your bank account.

In certain circumstances, you may request payment of your award in a lump sum. This payment of a lump sum is called a commutation.

For more information, see the Factsheet [Lump Sums and Commutations](#).

### When will my permanent disability benefits stop?

If you were under the age of 63 at the time of your injury, your permanent disability benefit will be paid until the earlier of your 65<sup>th</sup> birthday or your death. WorkSafeBC may pay disability benefits until a later age if you provide sufficient evidence of your plans to retire later than age 65. Generally, WorkSafeBC will ask you for information about your retirement plans when you reach the age of 63.

If you were over the age of 63 at the time of your injury, your permanent disability benefit will be paid for a maximum of two years from your date of the injury, unless WorkSafeBC is satisfied that you would have worked past the age of 65. WorkSafeBC will ask you for information about your retirement plans before calculating any permanent disability benefits.

For more information, see our Factsheet [Duration of Benefits](#).

### What if my permanent injuries change while receiving a permanent disability benefit?

Many workers who suffer from permanent conditions experience fluctuations in their condition.

If you believe that your condition has worsened since WorkSafeBC estimated your loss of function, then you should seek medical treatment and ask your doctor to send a report to WorkSafeBC. If WorkSafeBC

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agrees that there has been a significant change in your permanent condition, it may reopen and refer your claim back to the Long-Term Disability Services department for a new assessment of your permanent disability benefits.

### **Will Canada Pension Plan Disability Benefits affect my permanent disability benefits?**

If you receive Canada Pension Plan disability benefits and WorkSafeBC permanent disability benefits for the same injury, WorkSafeBC is required to deduct up to 50 percent of your Canada Pension Plan benefit from your WorkSafeBC permanent disability benefits.

For more information, please read the Factsheet [Canada Pension Plan Benefits and WorkSafeBC Benefits](#).

### **What should I do if I disagree with WorkSafeBC's decision regarding my permanent disability benefits?**

If you do not agree with the final decision on your permanent disability benefit, you have the right to request a review. You must request a review within 90 days from the date of the decision. If you disagree with the resulting Review Division decision, you have 30 days from the date of the decision to file an appeal to the Workers' Compensation Appeal Tribunal.

For further information about reviews and appeals, please review the Workers' Adviser Office Factsheets [Reviews of WorkSafeBC Decisions](#) and [Appeals to the Workers' Compensation Appeal Tribunal \(WCAT\)](#).

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