



**YUKON WORKERS'
COMPENSATION
HEALTH AND
SAFETY BOARD**

SUBJECT: CLAIMS & BENEFITS POLICY NO.: CL - 43
BOARD APPROVAL: *C. Plausen*
APPROVAL DATE: 93-11-17
BOARD ORDER NO.: _____
EFFECTIVE DATE: 93-11-17

POLICY STATEMENT

SECTION
REFERENCE: **89**

REVOKED

JUL 01 2008

POLICY:

RECOVERY OF OVERPAID COMPENSATION

GENERAL INFORMATION

The Workers' Compensation Act gives authority to the Workers' Compensation Health and Safety Board to recover any overpaid compensation which has been paid to a claimant, or their dependants, for which they are not entitled. All claims decisions are appealable to the Workers' Compensation Health and Safety Board.

POLICY

A. OVERPAYMENT

The circumstances in which overpayment may occur include, but are not limited to, situations where:

1. the information supplied by the claimant, or dependant is inaccurate;
2. the claim is fraudulent;
3. an error is made in the adjudication of a claim;
4. payments are made in error when eligibility for compensation does not exist, or has ended;
5. advances beyond entitlement have been made on wage loss and pension benefits; or
6. a clerical error is made in the calculation of compensation owed.

Recovery of Overpaid Compensation con't.**B. RECOVERY**

The recovery of overpaid compensation shall be through 1. set-off or 2. debt repayment on either a lump sum, or instalment basis, in whole or in part. The method of recovery of overpaid compensation will be dealt with on a case by case basis.

The WCHSB may withhold payment of compensation benefits until recovery of the overpaid compensation is made.

The WCHSB will only pursue repayment for amounts over \$50, and forgive those amounts under \$50. However, if a worker is entitled to, or becomes entitled to, compensation benefits, the WCHSB will recover the amount owed through set-off of compensation benefits regardless of the dollar amount owed.

1. Set-off

"Set-off" is when the board sets aside a portion of the compensation payable to a worker as payment against a debt owed to the board. Set-off is the preferred method of recovery when feasible. The schedule for recovery by set-off or debt repayment will be made by the Adjudicator in consultation with the debtor taking into consideration the financial circumstances of the debtor. Unilateral set-off will only be used when debt recovery could not be agreed to by both parties, and the debtor is entitled to compensation benefits. Set-off will not be done in a way that leaves the debtor destitute.

2. Debt Repayment

"Debt Repayment" is when a worker makes arrangements to repay money owed to the board. Overpayments made beyond the period of disability or entitlement to compensation benefits are recovered through debt repayment.

C. EXCEPTIONAL CIRCUMSTANCES

Under normal circumstances an attempt will be made to collect all overpayments. If the overpayment is the result of a WCHSB error, or when the repayment may cause a worker or dependant undue financial hardship, reasonable attempts will be made to accommodate the worker's circumstances.

The repayment of overpaid compensation will be in addition to any fine or imprisonment levied against a worker or their dependant.

D. LEGAL ACTION

In the event the debt is not repaid voluntarily, the WCHSB will pursue collection through any legal means available, or the debt will be written off.

Legal action against the debtor will be determined on a case by case basis taking into consideration the amount of debt outstanding, and the period of time the debt has been outstanding.