

SUBJECT: CLAIMS AND BENEFITS

POLICY NO.: CL - 46

BOARD APPROVAL:

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94-03-08

# **POLICY STATEMENT**

SECTION REFERENCE:

REVOKED

JUL 0 1 2008

POLICY:

20, 101

# PERMANENT IMPAIRMENT

## **GENERAL INFORMATION**

Under the Workers' Compensation Act, an individual who has suffered a compensable permanent impairment is entitled to compensation payable as a lump sum or an annuity, based on the degree of impairment as rated under the American Medical Association Guides, and the age of the worker.

All claims decisions are appealable to the Workers' Compensation Health and Safety Board.

### **POLICY**

#### A. DEFINITIONS

## (a) IMPAIRMENT

Impairment is the loss of, loss of use of, or derangement of any body part, system or function.

## (b) PERMANENT IMPAIRMENT

Permanent impairment is any impairment that has become static or well stabilized with or without medical treatment, or that is not likely to remit despite medical treatment of the impairing condition.

### B. ASSESSMENT OF PERMANENT IMPAIRMENT

Permanent impairment will be assessed according to the **Guides to the Evaluation of Permanent Impairment** set by the American Medical Association.

A Medical Consultant shall assess and provide a rating of the permanent impairment.

Entitlement for permanent impairments awards shall be adjudicated by the Claims Adjudicator.

A permanent impairment assessment and award for a compensable condition shall be made:

- (a) once a worker's condition has stabilized; or
- (b) within 2 years of the compensable condition occurring; an exception may be made by the Director of Claims considering the Medical Consultant's advice.

Permanent impairment awards may be increased when medical information supports a deterioration of a permanent impairment.

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#### C. CALCULATION OF THE LUMP SUM PAYMENT

In all cases the calculation of the lump sum payment shall be made by a Claims Adjudicator.

A worker who suffers a compensable permanent impairment is entitled, for the year that the permanent impairment arose, to a payment, equal to the product of the percentage of the worker's permanent impairment, as determined by the board, that is work-related, and

- (a) \$80,000 for 1993
  - (i) increased by two percent for each year of age of the worker under 45 years at the time the permanent impairment arose, to a maximum increase of 40 percent, or
  - (ii) decreased by two percent for each year of age of the worker over 45 years at the time permanent impairment arose, to a maximum decrease of 40 percent; or
- (b) for each year after 1993, an amount equal to the product of
  - (i) \$80,000, and
  - (ii) the quotient obtained when the average wage for the year is divided by the average wage for 1993,
  - (iii) increased by two percent for each year of age of the worker under 45 years at the time the permanent impairment arose, to a maximum increase of 40 percent, or
  - (iv) decreased by two percent for each year of age of the worker over 45 years at the time permanent impairment arose, to a maximum decrease of 40 percent.

#### REFERENCES

Workers' Compensation Health and Safety Board: Pre-Existing Conditions Policy Statement