

Benefit payment services

September 11, 2024

Agenda

Benefit payment services – who are we?

Loss of earnings benefits

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Long-term average earnings

Self-employed individuals

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Disclaimer



The content that follows is accurate as of the date stated on the title slide and is subject to change.

Refer to the Operations Policy Manual at [wsib.ca](https://www.wsib.ca) for the most accurate and up-to-date information.

Please do not redistribute as the information. It is for the intended audience only.

Benefit payment services – who are we?

Benefit payment services supports WSIB decision makers by processing monetary benefits related to different types of loss of earnings.

This includes:

- Loss-of-earnings benefits
- Non-economic loss benefits
- Survivor benefits

Older claims may be paid:

- Future-economic loss benefits
- Temporary disability benefits
- Permanent disability benefits

Our goal is to process payments efficiently and accurately for all workplace parties.

Loss-of-earnings benefits

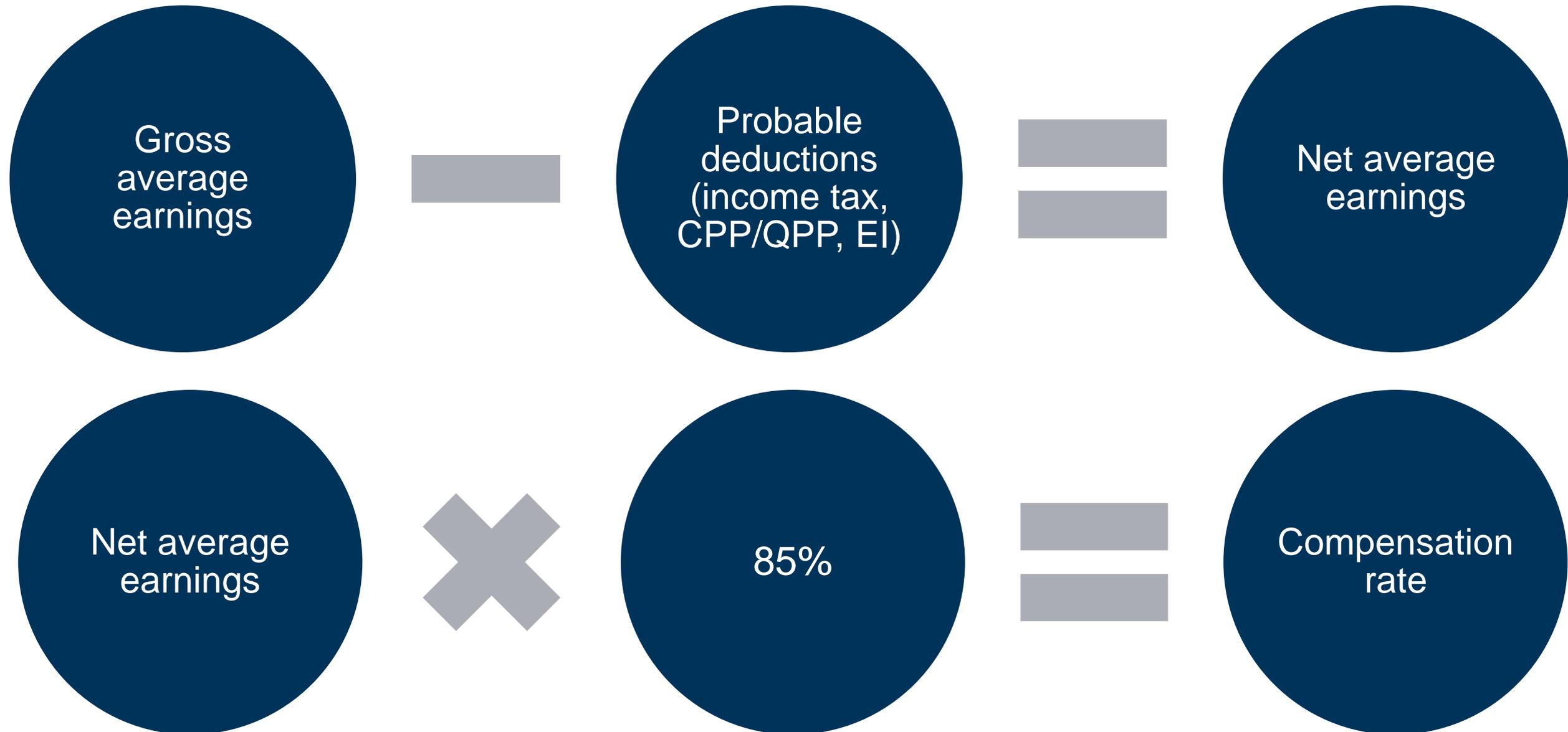
Loss-of-earnings benefits: payment life of a claim

Short-term rate

Long-term rate

72-month review
and lock at age 65

Payment and loss-of-earnings benefits



Net average earnings calculator



Benefit types

Full loss of earnings

- Awarded to people that are fully off work because they are medically unfit to work, or their employer cannot provide them with accommodated work within their restrictions
 - Paid at 85% of net average earnings
-

Partial loss of earnings

- Awarded to people who have not fully recovered from the injury or illness and are experiencing a wage loss.
 - Calculated by taking the difference between net average earnings and current net average earnings from modified work or determined earnings and then multiplying by 85%.
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Hours lost

- Used to pay a certain number of hours lost for medical appointments and shifts lost for rotational shifts.
 - Paid at 85% of net average earnings.
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Short-term average earnings

Determining short-term average earnings

Short-term average earnings are the earnings from the employer and all other employment at the time of the injury.

Loss of earnings benefits are paid for the first 12 weeks following the injury, based on the short-term average earnings.

Regular schedule

Earnings are based on the normal hours and days worked per week

Varied or irregular earnings

If earnings vary due to irregular hours or method of payment, the average of the total earnings in the four weeks before the injury or layoff is used as the short-term average earnings.

Rotational schedule

Earnings are calculated based on all earnings in the total number of weeks in the rotation.

Types of earnings

Base pay, Shift differentials, and In lieu of benefits pay

- Included in the short-term average earnings

Vacation pay

- Included if paid out on each pay cheque
- Excluded if accrued or paid as a lump sum

Allowances and expenses

- Examples include travel, vehicle, and meal allowances or expenses
 - Included if taxable
 - Excluded if they are reimbursements of expenses
-

Types of earnings

Mandatory overtime

- Included in the short-term average earnings.

Voluntary overtime

- Included if worked:
 - in **each** of the applicable four weeks before the injury or illness, or
 - in **each** week of one complete shift rotation
- If voluntary overtime is not worked in each of the applicable four weeks or in each week of one complete shift rotation before the injury or illness, it is considered irregular and is not included in the short-term average earnings

Bonuses and commissions

- Included if they are considered regular and must be paid:
 - Weekly in **each** of the applicable four weeks before the injury or illness, or
 - Monthly in **each** of the three months before the injury or illness

Proof of earnings

Form 7

Pay statements

Correspondence
from the employer

- We recommend providing the WSIB with email consent to communicate through email for a timely communication.
- Submit documents online at [wsib.ca](https://www.wsib.ca).

Recurrences

A recurrence is one of the following situations in which the injured or ill person:

- does not stop working immediately after the injury/illness; they continue to work and then stops working at a later date
- returns to work following a period of loss-of-earnings benefits and goes off work again
- lost time for medical appointments

The person is entitled to the higher of:

Pre-injury
gross earnings

or

Most recent
gross earnings

Concurrent employment

Where a person is concurrently employed at the time of injury, the average earnings are the earnings from **all employment** at the time of injury.

To be considered “concurrently employed,” **all** the following conditions must exist:

1. the employer must have WSIB coverage,
2. the person must have more than one contract of employment at the time of injury and
3. the person must have received earnings from all concurrent employment in any of the four weeks prior to the injury.

Paystubs

Pay statements

Correspondence
from the
concurrent
employer

Redirected payments

If another party has paid the injured or ill person for the approved lost time, the WSIB will reimburse the party based on our compensation rate.

Any monies remaining will be paid directly to the injured or ill person .

Employer advances

The WSIB will automatically reimburse the employer directly for advances on wages.

Third party assignments

To assign WSIB benefits to a third party, a signed document from the injured or ill person is required.

Approved third parties include:

- Employment insurance authorities
- Automobile or disability insurance providers
- Social services agencies

Court orders

The WSIB will pay the legal entities directly for the amounts owed limited by a percentage of the loss-of-earnings payment.

Includes:

- Garnishments
- Support deduction orders
- Requirement to pay from Canada Revenue Agency

Long-term average earnings

Long-term rate

At week 13 of loss-of-earnings benefits, if it is unfair to continue to pay at the short-term rate. The benefit rate is recalculated to establish the long-term rate.

The period of earnings requested is based on the employment pattern at the time of injury or layoff.

Permanent
employment

Non-permanent
employment

Employment patterns

Permanent employment: where a person:

- is employed (by the employer) 52 weeks a year,
- has no seasonal or cyclical layoffs,
- has no set termination date, apart from retirement
- may be full or part-time, and
- may have earnings that vary due to irregular hours or method of payment.

Permanent employment may involve occasional short-term layoffs or non-earning periods such as shortages of work, plant shutdowns during holidays, retooling, strikes, or lockouts. Such temporary layoffs or non-earning periods do not reflect a break in the employment pattern.

Non-permanent employment: where a person is hired for:

- a specific period of time, or
- a temporary period through a union hall.

Includes contract employees, seasonal or cyclical employees and temporary agency employees.

Long-term rate earnings

Permanent employment

- Long-term average earnings are based on 12 months prior to the date of injury or layoff
- The WSIB will send a letter requesting earnings to the employer

Non-permanent employment

- Long-term average earnings are based on 24 months prior to the date of injury or layoff

The WSIB will send the following letters:

- request for earnings to the employer
- request for earnings to the injured or ill person

Self-employed individuals

Self-employed individuals

People who are paid for their work with no payroll source deductions or purchase their own optional WSIB coverage are considered self-employed by the WSIB.

Includes:

- Dependent contractors (employer pays premiums on their behalf)
- Independent contractors (person with injury/illness pays their own premiums)
- Executive officer (either party pays premiums)
- Sole proprietor or partner (either party pays premiums)

Prior to paying a claim, we will first confirm whether the person has WSIB coverage.

Self-employed average earnings

- The average earnings are calculated by considering earnings in the 12 months prior to the date of injury or layoff, as well as WSIB coverage amount.
- The policies for the short-term rate and long-term rate do not apply. There is no recalculation at week 13.
- We will request the following documents from the injured or ill person:

Self-employment type	Earnings documents required	Average earnings calculation*
Dependent Contractors (or Deemed Worker of Principal), Independent Operator, Sole Proprietor, and Partner	(Option C + T2125) or (Notice of Assessment + T1 General + T2125)	Net business income + addback items to reach an estimated cash flow position for the year
Executive Officer	Notice of Assessment + T1 General + T4 and/or T5	T4 employment earnings+ T5 dividends from their corporation

Summary

Loss-of-earnings benefits

- Compensation rate
- Net average earnings calculator

Loss-of-earnings benefit types

- Full loss-of-earnings
- Partial loss-of-earnings
- Medical appointment

Determining short-term average earnings

Proof of earnings and how to submit



Recurrences



Concurrent employment



Redirected payments



Long-term rate

- Employment patterns
- Earnings required

Self-employed individuals



Want more information?

If you want to request a WSIB payment education session that is tailored to your business, industry, or employee type, please reach out to WSIB Stakeholder Relations:

- Email Sonia Arruda at sonia_arruda@wsib.on.ca
- Emails Jennifer Singleton at jennifer_singleton@wsib.on.ca

Discussion