



POLICY

NUMBER: 3. 4. 1R1

Effective Date: September 10th, 2004

Topic: Calculation of Extended Earnings-Replacement Benefit

Date Issued: September 13th, 2004

Section: Short-Term and Long-Term Benefits

Date Approved by Board of Directors: September 9th, 2004

Subsection: Extended Earnings-Replacement Benefit (EERB)

Policy Statement

1. An Extended Earnings-Replacement Benefit (EERB) may be paid to a worker whom the Board determines has been left with a permanent impairment as a result of a work-related injury and who is experiencing a loss of earnings as a result of the permanent impairment.
2. An EERB is payable from the later of:
 - a) the date on which the Board determines the worker has a permanent impairment (i.e. The worker has attained maximum medical recovery and a permanent impairment assessment has been completed); or
 - b) the date on which the worker completes a rehabilitation program (this includes the date vocational rehabilitation services have been determined to be inappropriate or discontinued).
3. The amount of the EERB, if it is payable within the first 26 weeks of compensation, will be 75% of the worker's net loss of earnings (LOE) less the Permanent Impairment Benefit (PIB) for that injury. After 26 cumulative weeks of compensation the amount of the EERB will be increased to 85% of the worker's net loss of earnings less the PIB for that injury.
4. The loss of earnings is equal to the net pre-LOE average earnings less net post-LOE earnings. The following will be included in post-LOE earnings:
 - i) earnings from employment;
 - ii) earnings that the Board estimates the worker is capable of earning in suitable and reasonably available employment; and
 - iii) 50% of Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) disability benefits.

5. The EERB must be reduced if the EERB, combined with any other compensation paid pursuant to this Act and any benefits (excluding Survivors Benefits) from a predecessor Act, are greater than 75% (first 26 weeks of compensation) or 85% (after 26 weeks) of the net maximum assessable earnings at the time of the injury (the net calculation of the maximum assessable earnings will be based on the individual worker's tax credits).

Application This Policy applies to loss of earnings decisions made on or after September 10th, 2004. It replaces Policy 3.4.1R, issued on May 17, 1999, and effective April 16, 1999.

References Workers' Compensation Act (Chapter 10, Acts of 1994 - 95), Sections 37, 38, 48, 75(3), 228. An Act to Amend Chapter 10 of the Acts of 1994-95, *the Workers' Compensation Act* (Chapter 1, Acts of 1999), Clauses 4 and 5.

Executive Corporate Secretary