

POLICY NUMBER: POL-81

**Chapter:
CLAIMS**

**Subject:
ADJUSTMENTS TO PENSIONS**

**Effective Date:
January 24, 2002**

**Last Update:
January 1, 2023**

REFERENCE:

Workers Compensation Act R.S.P.E.I.1988, Cap. W-7.1, Section 50

DEFINITION:

In this policy:

“Pension” means an award based on a medically assessed disability awarded by the Workers Compensation Board prior to January 1, 1995 and was paid in recognition of a permanent partial or total disability.

POLICY:

1. Workers in receipt of a Workers Compensation Board (WCB) pension are eligible for a cost of living increase each year.
 2. On July 1st of every year, pension benefits will be adjusted for increases in the cost of living. The adjustment will be the percentage change in the Consumer Price Index to a maximum of 6%.
 3. The percentage change is determined by Statistics Canada in the Consumer Price Index for Prince Edward Island for all items for December of the previous year and December one year earlier.
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4. If the percentage change in the Consumer Price Index is zero or negative, there will be no adjustment to the pension.
 5. Pensions are not subject to review. No change in the award of a pension, other than through percentage change in the Consumer Price Index, is permitted.
 6. Workers in receipt of a pension who return to work and who have a new accident or have a recurrence of a previous compensable injury may receive wage loss benefits less the amount of the pension.
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HISTORY:

January 1, 2023 - Non-substantive changes to reflect *Workers Compensation Act* amendments.

December 25, 2021 - Non-substantive changes to reflect *Workers Compensation Act* amendments.

May 8, 2019 - Non-substantive changes to clarify that there is no adjustment if the Consumer Price Index change is negative.

January 1, 2014 - Amended to reflect the revisions made to the *Workers Compensation Act* that became effective January 1, 2014.

February 13, 2013 - The policy was updated as a result of the 60 month policy review process. No substantive changes were made during this review.

November 30, 2007 - The policy was updated as a result of the 60 month policy review process.

July 25, 2002 - Removed reference to no indexing if increase less than 0.5%, clarified access to review, and clarified assessment of a new accident or recurrence.

January 24, 2002 - Replaces "Adjustment to Pensions Under Section 50 of the Workers Compensation Act L.P.E.I. 1995 Cap. 67" dated August 1, 1995.
Board of Directors Approval Date: January 24, 2002
