

Non-Economic Loss (NEL) Benefit

DECISION INFORMATION

This sheet contains important information to help you understand what your Non-Economic Loss (NEL) benefit means. **Be sure to save this document for future reference.**

A NEL benefit is...

- For a permanent impairment that is physical, functional or psychological
- Calculated as a percentage of whole body impairment
- Based on a legislated value calculation.

A NEL benefit is not...

- A wage-loss award
- Rated on the basis of pain and suffering
- Taxable.



Frequently Asked Questions

Why did I get this money?

The medical information in your file shows that you have a permanent impairment as a result of a workplace injury or illness. The NEL benefit is a monetary sum that recognizes this impairment.

How is the percentage determined?

A NEL Clinical Specialist (NCS) reviews the medical information in your file and in your NEL assessment, if there is one. This information is then compared with findings in the *American Medical Association Guides to the Evaluation of Permanent Impairment 3rd Edition (revised)* to calculate the percentage of permanent impairment. The rating sheet used to make the NEL decision is included with your decision letter.

What does the percentage mean?

The NEL percentage value means that your whole body has been impaired by this percentage as a result of your injury. For example, a four per cent NEL benefit for a shoulder injury means that your whole body is impaired by four per cent because of the shoulder injury, NOT that your shoulder is four per cent impaired.

What type of information is used in the NEL rating?

The NEL benefit is based on measurable medical information. For example, how much of a finger

was amputated? Or, how much cartilage is lost from a joint?

The NEL benefit is not based on non-measurable information, such as inability to play certain sports or a loss of ability to do certain family activities.

What if I do not agree with this percentage?

You may call the NCS who made the decision to understand how the decision was made. If you do not agree after you have heard the answer, you may appeal the decision. To start the appeals process, you must send your objection in writing to the NCS, giving your reasons why you think the percentage is not correct.

Does the NEL benefit close my claim?

No, this benefit does not close your claim. Contact the WSIB if you have questions about any of your benefits.

What if my condition gets worse?

We can review your NEL benefit if your condition gets significantly worse as long as 12 months have passed since your last NEL decision. This is called a NEL redetermination. You must contact your Claims Adjudicator at the end of the 12-month period for further information on the NEL redetermination.

How is the money calculated?

The dollar value of your NEL benefit is determined by multiplying the NEL percentage by a base-dollar value. Your own base-dollar value will vary depending on:

- Your age when you were injured (age factor)
- The year in which you reached maximum medical recovery.

Age Factor

When the legislation for NEL benefits first came into effect in 1990, the base-dollar value for a 45-year-old person with a 100 per cent impairment was \$45,000.

- For every year your age was under 45 when you were injured, \$1,000 was added to the base back to age 25
- For every year your age was over 45 when you were injured, \$1,000 was subtracted from the base up to age 65.

Year of maximum medical recovery

Every year the amounts set out in 1990 are indexed for inflation by the WSIB. For example, the base amount for the year 2002 was \$51,844.99 and the age adjustments were \$1,152.51. The year in which you reached maximum medical recovery determines the base amount and the age adjustment amounts.

Once the base-dollar value is set, the NEL percentage is multiplied by this value to calculate the dollar value of your own NEL benefit.

How is the money paid?

Benefits under \$11,520.87 are paid in one payment. For benefits greater than this amount, you will have the choice of receiving the money in one payment or in monthly payments for the rest of your life.

If you choose the monthly amount, you should be aware that although this payment will continue for the rest of your life, there are no death benefits associated with the NEL benefit.

What time period does this benefit cover?

The NEL benefit covers the time period from the date your condition was not expected to improve (maximum medical recovery) to the end of your life.

Sample Calculations

Let's say that you were 45 years old at the time of the injury. You reached maximum medical recovery in the year 2007. Your impairment was rated 5 per cent whole body impairment.

Step 1. In 2007, the legislation gave you a base-dollar value of \$52,469.57 based on the year of maximum medical recovery.

Step 2. The legislated-dollar value is multiplied by the NEL percentage. So, the dollar value of your NEL benefit is 5 per cent of \$52,469.57. This gives a NEL benefit of \$2,624.48.

Variations based on age

- Now, let's say you were 38 at the time of your injury. Your base amount would be \$52,469.57 plus \$1,166.41 for every year you were under 45. So, the base amount here would be the \$52,469.57 plus (7 x \$1,166.41). That would make your base amount \$60,634.44. Then, we apply the percentage to that dollar value to arrive at the NEL benefit. So, the dollar value of your NEL benefit is 5 per cent of \$60,634.44, which equals \$3,031.72.
- Now, let's say you were 52 at the time of your injury. Your base amount would be \$52,469.57 less \$1,166.41 for every year you were over 45 (7 x \$1,166.41). That would make your base amount \$44,304.70. So, in this case, the dollar value of your NEL benefit is 5 per cent of \$44,304.70, which equals \$2,215.24.

