

PENSION COMMUTATIONS

(For Accidents Before January 1990)

What Is a Pension Commutation?

- The Workplace Safety and Insurance Board (WSIB) pays pensions of more than 10% in monthly instalments. A commutation is a change from receiving monthly instalments for the rest of your life to receiving your pension money all at once, in one lump sum payment. This lump sum payment can replace the whole pension or only part of the pension.
- **In accepting a pension commutation, you give up the right to receive some or all of your future WSIB benefits on a monthly basis. You cannot change your mind about accepting a pension commutation once it has been received. You may wish to speak to a qualified representative or financial adviser before selecting this option.**

When Can You Ask For a Pension Commutation?

If your pension is more than 10%, you can ask WSIB for a pension commutation when **all** the following conditions have been met:

- the money will help reduce the effects of a disability and, as a result, will help you return to work or stay at work,
- you have no other way of obtaining the money you need to return to work or stay at work,
- you will still be able to pay your normal living expenses after receiving the commutation, and
- you have already spoken to experts about how to return to work and how to handle your money.

If your pension is 10% or less, WSIB will pay your pension in one lump sum, unless:

- you choose to have your pension paid on a monthly basis,
- WSIB believes it would be to your disadvantage to receive one lump sum (for example, if your permanent disability is likely to get worse).

How Do You Apply for a Pension Commutation?

- You should ask your Adjudicator for a pension commutation in writing.
- If your pension is more than 10%, WSIB will send you forms which must be completed and returned.
- Your doctor must send WSIB a medical report, indicating that your financial situation is contributing to a disability that prevents you from getting or keeping work and that the commutation will significantly improve your financial situation and medical condition.

What Are Your Chances of Getting a Pension Commutation?

WSIB does not usually grant pension commutations, but must consider every request.

How Is the Lump Sum Calculated?

WSIB uses a chart (the Discount Rate Calculation Table) to assess the amount of the lump sum you will receive. The amount will depend on your age, the size of your monthly payments, and whether you are male or female.

Can You Object To the Amount Of a Pension Commutation?

- The amount of the pension commutation is assessed according to the Discount Rate Calculation Table and the result is final. If you believe WSIB made a mistake, you can request that the commutation be checked and confirmed.
- If WSIB only gives you a partial commutation rather than the full commutation you requested, or if WSIB gives you a smaller partial commutation than you requested, you can appeal within **six months** of the date of the decision.

What If Your Request for a Pension Commutation Is Denied?

If you disagree with the reasons provided, you can file an appeal within **six months** of the date of the WSIB decision.

- You may ask a qualified representative to assist you. Because appeals involving pension commutations are usually quite straightforward, you may wish to pursue them on your own. Make sure you collect the information suggested above and submit it to WSIB. Please see the OWA Workers' Information Kit called Appealing WSIB Decisions for guidance.

IMPORTANT INFORMATION

There are time limits for appealing WSIB decisions. If you wish to appeal a decision, contact a qualified representative as soon as possible. For more information on time limits, see OWA Fact Sheets 24 and 25 called "Appealing to WSIB" and "Appealing to WSIAT".

This Fact Sheet contains general information only. It is not a legal document. To see what the law says, you should look at the Workplace Safety and Insurance Act and WSIB policies. If you require help and do not have a union to assist you, contact the Office of the Worker Adviser:

- Our toll free telephone number is 1-800-435-8980 (English) or 1-800-661-6365 (French)
- or visit our website at <http://www.owa.gov.on.ca>

Cette feuille-info est aussi disponible en français

