

**Alberta WCB
Policies &
Information**

Chapter:

BENEFITS

Subject:

PERMANENT DISABILITY

Authorization:

BoD Resolution 2024/06/18

Date:

November 26, 2024

**APPLICATION 2: NON-ECONOMIC LOSS PAYMENT - INJURIES ON OR AFTER
JANUARY 1, 1995**

- 1. *What is the purpose of the non-economic loss payment?***

The non-economic loss payment (NELP) is paid in recognition that a permanent clinical impairment may also impact the worker’s life outside the workplace.
- 2. *Who is eligible for a NELP?***

To be eligible for a NELP, the worker must meet the following conditions:

 - the date of accident is on or after January 1, 1995
 - the worker has a measurable permanent clinical impairment
- 3. *What if the worker’s compensable injury or condition results in death or the worker dies from unrelated causes?***

As explained in Question 1, the intent of the NELP is to compensate the worker for the impact the injury has on the worker’s life outside the workplace. Therefore, the worker is not eligible for a NELP when there is an immediate fatality. For this policy, “immediate fatality” is defined as death within 30 calendar days of the date of the work-related accident. The 30 calendar days include the date of accident.

If, however, death is not immediate and it is clear the worker has or will have a permanent clinical impairment if they live, the worker is eligible for a NELP. If WCB is unable to assess the degree of permanent clinical impairment before the worker’s death, it will base the assessment on the documentary medical evidence, using the WCB’s approved rating method. When a worker’s NELP is paid after the worker’s death, it is paid to the worker’s estate.

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4. *When does WCB determine the amount of the NELP?*

With the exception of deteriorating conditions, WCB determines the value of a NELP at the medical plateau, when medical opinion indicates no further significant medical change is likely.

If the injury is a deteriorating condition, the NELP is assessed when the condition first stabilizes, and may be periodically reassessed as the condition deteriorates.

5. *How does WCB determine the degree of permanent clinical impairment?*

The degree of permanent clinical impairment (PCI) is determined by a physician, using WCB's approved rating schedule.

When a worker has multiple compensable impairments (from a single accident or multiple accidents), the individual PCI ratings are added to determine the total PCI rating unless otherwise noted. See Appendix D, Alberta Permanent Clinical Impairment Guide.

The clinical impairment rating on one claim or a combination of claims with dates of accident on or after January 1, 1995, cannot be greater than 100%.

6. *How does WCB calculate the NELP?*

As the NELP is not intended to compensate the worker for lost earnings, the payment is not based on earnings.

The payment is paid as a lump sum based on the degree of permanent clinical impairment resulting from the compensable injury.

The maximum NELP payable is indicated in Addendum A of this policy.

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*Calculating NELP
(continued)*

When determining a payment, WCB uses a proportionate amount of the maximum NELP amount in effect on the date of the NELP evaluation (see Addendum A).

$$\text{NELP} = \text{PCI \%} \times \text{maximum NELP}$$

For example, if the maximum NELP is \$60,000 and the PCI is 2%, the payment will be \$60,000 x 2%, or \$1,200.

If a worker has a PCI rating of 100% through one or more claims, they receive the maximum NELP amount.

There are three exceptions to the standard calculation of NELP outlined above:

- the worker has a PCI rating of 0.4% to less than 2% (the minimum NELP is 2% of the maximum. A worker with a PCI equal to or greater than 0.4% but less than 2% will receive a 2% payment)
- the worker has a PCI rating less than 0.4% (these workers do not receive a NELP)
- the worker's compensable injury is one of the six conditions presumed to result in PTD under s.43(2) of the *WCA* (these workers receive the maximum NELP amount)

This policy section applies to all claims with a date of accident on or after January 1, 2025. For dates of accident before that, see previous policy.

Workers who are awarded PTD status under Part I due to having a PCI rating greater than or equal to 75% and less than 100% and an inability to participate in employment receive a NELP award proportionate to their PCI rating (greater than or equal to 75% and less than 100%).

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7. *How is the minimum NELP applied if a worker becomes eligible for a NELP under a subsequent claim?*

WCB generally considers each claim separately (unless the combined total exceeds 100% - see Question 5). For example, a worker who receives a minimum 2% award for a 1% permanent clinical impairment of a finger will receive another minimum 2% award for a 1% permanent clinical impairment of a different finger under a later claim.

However, if the later accident is to the **same** body part and site (for example, the same site on the same finger), WCB looks at the cumulative total of the actual clinical impairment. As the worker has already received a 2% award for the permanent clinical impairment of that body part and site, WCB does not pay an additional NELP unless the cumulative compensable permanent clinical impairment is more than 2%. If the total is more than 2%, the additional NELP is based on the total percentage of permanent clinical impairment, minus 2%.

8. *Does WCB periodically adjust the maximum NELP?*

Starting January 1, 1996, the maximum payment will be increased on the same date and by the same percentage as cost-of-living adjustments made pursuant to s.59 of the *WCA* (see Addendum A at the end of this policy).

9. *When is this policy application effective?*

This policy application (Application 2 – Non-Economic Loss Payment – Injuries On or After January 1, 1995) is effective January 1, 2025, and applies to all claims with a date of accident on or after that date, except when noted otherwise in a specific policy section(s).

Previous versions

- [Policy 0404 Part II - April 2018](#)
- [Policy 0404 Part II - January 2018](#)
- [Policy 0404 Part II - August 2015](#)

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- [Policy 0404 Part II - December 2009](#)
- [Policy 0404 Part II - January 2004](#)
- [Policy 0404 Part II - June 2003](#)
- [Policy 0404 Part II - January 2002](#)
- [Policy 0404 Part II - October 2001](#)
- [Policy 0404 Part II - June 2001](#)
- [Policy 0404 Part II - September 1999](#)
- [Policy 0404 Part II \(consolidated manual 1st Issue\) - February 1997](#)