

**POLICY NUMBER: POL-28**

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**Chapter:**  
**CLAIMS**

**Subject:**  
**OVERPAYMENTS TO SERVICE PROVIDERS**

**Effective Date:**  
**November 15, 1994**

**Last Update:**  
**December 16, 2024**

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**REFERENCE:**

*Workers Compensation Act* R.S.P.E.I. 1988, Cap. W-7.1, Section 18 (4).

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**DEFINITION:**

In this policy:

“Overpayment” means the result of paying a worker, employer, or service provider, more than what they are entitled to pursuant to the *Workers Compensation Act*.

“Service provider” means a person or company that conducts business either with the Workers Compensation Board or on its behalf.

“Set-off” means the amount payable to a worker or service provider set aside, by the Workers Compensation Board, as payment against a debt owed to the Workers Compensation Board.

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**POLICY:**

1. The Workers Compensation Board (WCB) will pay recognized service providers appropriate fees for their services, based on WCB approval or through formal agreements.
  2. If a provider is paid more than the approved amount for the service provided, an overpayment will be established.
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3. The WCB will recover the overpayment from the service provider in one of these ways:
    - a) The provider will be notified and asked to repay the amount.
    - b) The WCB will use set-off to deduct the amount of the overpayment from subsequent amounts due to the provider.
    - c) The provider and the WCB agree to a payment plan satisfactory to both parties.
  4. If the overpayment is not made in a timely manner, the overpayment may be sent to a collection agency. Cost relief may be granted to the employer where the overpayment cannot be collected.
  5. Overpayments to service providers will only be considered for debt write-off if ordered by the courts.
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**HISTORY:**

December 16, 2024 – Non-substantive changes made as a result of 60 month review.

March 9, 2018 - Policy was reviewed by Chief Executive Officer and Director; no changes required.

February 11, 2009 - The policy was reviewed as a result of the 60 month policy review process. No substantive changes were made to the policy during this review.

June 21, 2001 - Replaces Policy and Practice “Overpayments to Service Providers” dated November 15, 1994.

Board of Directors Approval Date: November 15, 1994