



PENSION FOR LIFE: IMPLEMENTATION APPROACH

PRESENTATION FOR MINISTER'S ADVISORY GROUPS

UPDATED JUNE 11, 2018

Pension for Life – Benefit Overview

Benefit	Description
<p>Pain & Suffering Compensation (Non-Economic Benefit - non-taxable)</p>	<ul style="list-style-type: none"> • Replace Disability Award with monthly Pain and Suffering Compensation • \$1150 maximum monthly payment for life • Option to cash-out for a lump-sum <p><u>Additional Monthly Amount</u></p> <ul style="list-style-type: none"> • Monthly payment to Veterans who already received a Disability Award and did not have the benefit of a monthly, life-time option
<p>Additional Pain & Suffering Compensation (Non-Economic Benefit - non-taxable)</p>	<ul style="list-style-type: none"> • New non-economic benefit to recognize severe and permanent service-related impairments • Three grade levels of \$500, \$1000, or \$1500 • Monthly payment
<p>Income Replacement Benefit* (Economic Benefit - taxable)</p>	<ul style="list-style-type: none"> • Consolidates six benefits and create the Income Replacement Benefit at 90% of pre-release salary - indexed annually. • Permit \$20K in allowable earnings • Increase survivor's benefits from 50% to 70% • Recognize lost career progression potential with 1% annual increase

*VAC Rehabilitation Program and Canadian Forces Income Support eligibility will be limited to those with service-related rehabilitation needs

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“We cannot solve problems by using
the same kind of thinking we used
when we created them.”

- Albert Einstein

PFL IMPLEMENTATION: A NEW APPROACH

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Guiding Principles – Consistent with Service Excellence, and GoC Service Strategy

1

Give Veterans
the benefit of
the doubt

2

Design for the
majority, not
the exception

3

Be Veteran-
Centric

4

Delegate and
empower VAC
employees

5

Tell us once

6

Digital First

PFL Implementation Approach

- Veteran centered design and execution
 - Building processes and systems based on the needs and pain points of Veterans
 - Engaging Veterans early and often
 - Forming multi-disciplinary teams to complete work
 - Ownership and accountability rests with the teams
- How is this different for Veterans?
 - Digital first
 - Digital doesn't mean without help
 - Changing the way we work puts more emphasis on Veterans and their families
 - Iteration and testing ensures what is launched is what is needed for Veterans

2. PROVE YOU PAID FOR HEAT.

Attach a heating bill or receipt to prove how you pay for heat at your current civic address. The bill/ receipt must match the name on the application and be dated between **January 1, 2016 and March 31, 2017**.

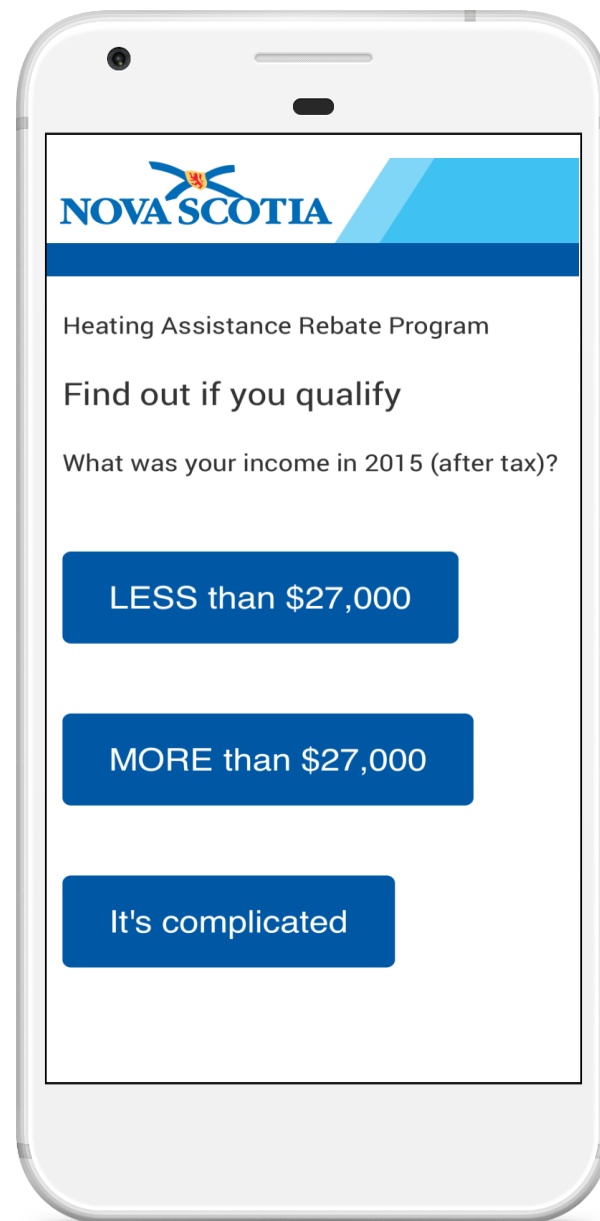
- If heating with oil, provide a delivery slip in the name and civic address listed on the application.
- If heating with electricity, we will use your power bill to check that you use electricity to heat your home.
- If heating with wood, provide a wood invoice form OR if you harvest your own wood, a wood declaration form.

3. PROVE YOUR INCOME.

- If you get Income Assistance from the Department of Community Services, no additional proof is required.
- If you apply as a single person household, providing your signature on this form will allow your income to be verified through Canada Revenue Agency (CRA).
- If you apply as a household of two adults, providing signatures on this form will allow your income to be verified through CRA.
- If you apply as a single-parent household, providing your signature on this form will allow your income to be verified through CRA. You must also have received the Canada Child Tax Benefit in 2015.
- If your income is higher than the threshold, but you are a senior receiving GIS or The Allowance, attach a copy of your grant letter from Employment and Social Development Canada. To request a copy of your grant letter call Service Canada at 1-800-277-9914 (press 0 to speak to a representative).

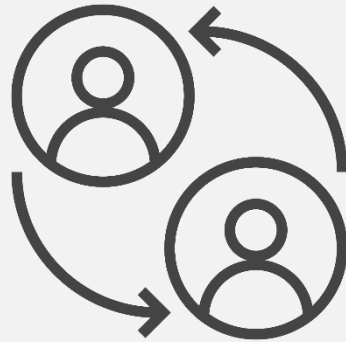
4. PICK YOUR HOUSEHOLD TYPE. (Check **ONE** only)

- Person or household currently on Income Assistance from the Department of Community Services.
- Single with an income of **\$27,000 or less** (after tax) – single means living alone with no children or other dependents.
- Single-parent household with an income of **\$42,000 or less** (after tax) – one adult only with one or more children living with you.
- Household of two or more adults who share expenses with a combined income of **\$42,000 or less** (after tax) – married, common law, or sharing a home with another adult, with or without children.
- Senior on Guaranteed Income Supplement (GIS) or on The Allowance.





Open Houses



Consultation



User Testing

....and More!

New programs, new processes, new
benefits...

...what about those with
current Disability Awards?

Seamlessly moving those with current Disability Awards to PFL

- Over 74,000 current Disability Award recipients could potentially be impacted by the transition to PFL
- Nothing Veterans need to do
 - Calculations occur automatically to ensure move to PFL is seamless
 - Do not wait to apply
- Bolstering resources and available information to help explain the changes

Outcomes

On April 1st, 2019:

- An easy to use end-to-end digital application process for all PFL benefits
- Seamlessly move all recipients from the current suite of benefits to the new PFL benefits including:
 - Provide an additional monthly amount to current DA recipients (based on individual circumstances) to adjust for the new Pension For Life
 - Consolidate six benefits into one: Earnings Loss Benefit (short-term and long-term), Retirement Income Security Benefit, Supplementary Retirement Benefit, Career Impact Allowances (CIA) and Career Impact Allowances Supplement.



QUESTIONS?