



Automatic Approval of Disability Benefits

November 2019



▼ OVERVIEW

- The Liberal Party has committed to:
“move forward with automatic approval for the most common disability applications, including depression, post-traumatic stress disorder, and arthritis, among others”
- The Parliamentary Budget Officer has estimated accrual costs at \$194 M for fiscal year 2021-22; \$197 M for fiscal year 2022-23 and \$199 M for fiscal year 2023-24
 - This estimate does not include implementation costs, subsequent increases to health care program expenditures, or increased Disability Program expenditures due to potential increases in disability claims
- *redacted*
- *redacted*

Disability Benefit decision making is currently a two step process;

- Firstly a decision is made on **entitlement** - i.e., whether and to what degree (partially or fully) the claimed condition is related to service and;
- Secondly, a decision is made on **assessment** - i.e., the extent to disability expressed as a percentage. This is based on level of functional impairment and impact on quality of life

Currently, there are two legislative tests that are used to help determine relationship to service:

The Compensation Principle

- Eligibility test for peacetime Canadian Armed Forces and RCMP
- Provides coverage for any disability or death that arises out of or is directly connected with service
- With this principle, the cause of the injury or disease is very important

▼ BACKGROUND CONTINUED

Insurance Principle

- Eligibility test for Veterans of WWI, WWII, Korea, and Special Duty Service
- Provides 24/7 coverage, regardless whether or not that disability or death was directly related to service
- With this principle, its an issue of timing rather than causality. If a disability presents while in Special Duty Service or an event occurs while in Special Duty Service that subsequently leads to a disability, it is covered.

Statistics

- As of March 31, 2018:
 - there were 159,236 recipients of VAC Disability Benefits
- The Most common conditions on first application in 2017/2018 were tinnitus, hearing loss, PTSD, arthrosis of knee, depressive disorders, lumbar disc disease, osteoarthritis of knee, osteoarthritis of hip, cervical disc disease and osteoarthritis lumbar spine
- Favorable rates of first applications in 2017/2018 was 82%
- There were 35,682 Disability Benefit Decisions rendered in 2017/2018

▼ CURRENT STATUS

- Currently, VAC does not have the legislative authority to pay a disability benefit if the claimed condition is not either related to service or aggravated by service. As such, VAC must determine, based on the available evidence, whether there is a service relationship
 - VAC uses tools such as Entitlement Eligibility Guidelines and program policies to help establish links between disabilities and service to speed up claims processing
 - VAC has also instituted “Streamlined Decision-Making Models” for certain conditions (e.g., hearing loss, PTSD, and some musculoskeletal conditions). These models are based on evidence showing higher prevalence of these conditions in military populations and reduce the time required to gather additional evidence for decision makers
- There are however provisions in the *Pension Act*, *Veterans Well-being Act* and the *Veterans Well-being Regulations* relating to presumptions that may assist with the implementation of this commitment
 - For example, Section 63 of the *Veterans Well-being Act* states: “*The Governor in Council may make regulations (a) respecting the rules of evidence and evidentiary presumptions relating to applications for a critical injury benefit, pain and suffering compensation or a death benefit*”
- In addition, legislative “Benefit of the Doubt” provisions allow VAC to draw “every reasonable inference in favor of the applicant” when reviewing evidence, and when in doubt, “resolve in favor of the applicant”



IMPLEMENTATION

redacted

▼ CONSIDERATIONS

redacted

▼ ALTERNATIVE APPROACH- PREDICTIVE DECISION MAKING

redacted

▼ NEXT STEPS: CRITICAL TIMELINES

redacted



DISCUSSION