CBA Legal Health Check

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Explaining Disability Income

A Canadian Bar Association series supporting legal wellness   2019

This Legal Heath Check describes sources of income that may be available when you lose your regular income because of disability or illness.

- **Quebec/Canada Pension Plan Disability (QPPD/CPPD):** benefit for "severe and prolonged disability" averaging $935/month ($1335 maximum), plus a dependent benefit.
- **Employment Disability Pension:** monthly payment for life that replaces your employment pension. Some employers offer this for employees who become permanently disabled and can no longer work.
- **Employment Insurance (EI) Sickness:** federal government benefit that can last for 15 weeks, with $562/week maximum.
- **Workers' Compensation:** provincial or territorial government benefit for workplace injuries. It can replace up to 90% of net income and last 65 weeks, sometimes longer.
- **Short Term Disability (STD):** some employers offer this or you can buy your own insurance. Coverage varies.
- **Long Term Disability (LTD):** some employers offer this or you can buy your own insurance. Coverage depends on how "disabled" is defined. The amount paid varies and may be reduced if you have QPPD/CPPD or part-time work income.
- **Creditor/Mortgage Disability Insurance:** this insurance can be bought in advance to cover your debts (like a home mortgage or car loan).

IMPORTANT TIPS:

1. Keep policies organized. Keep records of benefit payments, including disability insurance payments on loans, mortgage, and credit card balances.
2. Be familiar with your entitlement to benefits and the claims and appeal process. Ask, if you have questions.
3. If self-employed or a contractor, check tax returns and assessments for CPP and EI payments.
4. Apply for benefits by the deadline and act promptly if your claim is rejected (e.g., appeals and other options).

Check with an accountant or lawyer if you need advice.

For links and resources, visit cba.org/healthcheck

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