

Canada Pension Plan Disability Benefits

What is the CPP Disability Benefit?

Canada Pension Plan (CPP) Disability Benefits provide a monthly taxable benefit to CPP contributors who are disabled, and their dependent children. You should apply for CPP Disability Benefits if you develop a severe and prolonged illness or a disability that prevents you from working at any job.

The CPP Disability Benefit is available to people who have made enough contributions to the CPP. There is a provision in the CPP legislation which allows a period of time to be removed or "dropped out" when calculating your contributions to the CPP. Excluding this period of low or no earnings can help you become eligible for a CPP disability benefit. It can also increase the amount of your benefit.

How Do I Qualify for CPP Disability Benefits?

To qualify you must be under age 65; contributed into the CPP at least four of the last six years, or paid into the CPP for at least 25 years and made valid contributions to the Plan in three of the last six years.

If you are applying for a CPP disability benefit but stopped working so long ago that you no longer have CPP contributions in four of the last six years, but you meet all the other conditions of eligibility, you may still be eligible. This is called the late applicant provision. As long as you had enough years of CPP contributions when you first became severely disabled, and as long as you are considered to be continuously disabled from that date up to the present time, you may be eligible.

You must show through supporting medical documentation that you have a severe and prolonged disability as defined by the CPP legislation.

For information regarding whether you have sufficient contributions, you can contact Service Canada by telephone at 1- 800- 277-9914 or by registering for a My Service Canada Account and requesting your Statement of Contributions.

Your benefits start four months from the date of your disability. If you apply late, you may be entitled to benefits dating back a maximum of one year from the date you apply. To remain eligible, you must continue to have a disability as defined by the CPP legislation.

How Do I Apply for the CPP Disability Benefit?

You must complete an application available from Service Canada. The application will include:

- A questionnaire about your work history and medical condition;
- A medical report form to be completed by your doctor.
- A consent form that gives Service Canada permission to get additional information to process your application; and
- A form to complete if you reduced your working hours or stopped working to care for your children under the age of seven.

How Long Does It Take for My Application for Disability Benefits To Be Approved?

It takes as long as four months from the date they receive your application and all supporting documentation for you to find out if your application for a disability benefits has been approved. This time frame is much shorter for terminally ill applicants (48 hours). It is important to submit as much supporting medical documentation as possible at the time the application is made.

What Are My Responsibilities Once I Start Receiving CPP Disability Benefits?

You must notify Service Canada if:

- There is a significant improvement in your medical condition;
- You are returning to the workforce either full time, part time or for a trial period of work;
- You embark on a paid training program
- You successfully complete any school, university, trade, technical training or rehabilitation program.

You must also notify Service Canada of any changes in the status of your child(ren) for whom benefits are payable.

What Are My Options If My Application for CPP Disability Benefits is Denied?

If your application for a CPP disability benefit is not granted, there are three opportunities for you to have your application reviewed or reconsidered.

1. A request to Service Canada for reconsideration in writing to say that you want to have the decision reconsidered. This must be done within 90 days of receiving a decision letter.
2. An appeal to the Office of the Commissioner of Review Tribunals (OCRT) within 90 days of receiving a decision letter regarding the reconsideration of your application from Service Canada.
3. An appeal to the Pension Appeals Board within 90 days of receiving the OCRT decision letter.

How will receipt of a CPP Disability Benefit affect my Long Term Disability Benefit?

Most Long Term Disability benefits include a provision that will deduct your CPP Disability Benefit from the amount you are receiving from the insurance company. If you are in receipt of Long Term Disability your insurance carrier may require you to apply for the CPP Disability Benefit. You must comply with their request,

or risk having an estimated CPP Disability amount taken from your monthly disability amount, even if you aren't receiving the CPP Disability Benefit.

Is my CPP Disability Benefit taxable?

Yes the amount is considered taxable income, however, CPP does not usually remove income tax from the amount you receive. Therefore, at the end of the year many recipients will owe income tax. It is advisable to review your income tax situation; if you would prefer to have income tax taken off your monthly CPP Disability Benefit you can contact Service Canada and request they remove some funds for income tax purposes.

For additional information regarding CPP Disability Benefits, how to have a decision reconsidered, or how to appeal a decision, please contact Service Canada by telephone: **1-800-O-Canada (1-800-622-6232)**, TTY: **1-800-926-9105** or at their Website www.servicecanada.gc.ca.

If you wish to contact the Pensions and Benefits unit, please email us at pensionsandbenefits@opseu.org

OPSEU does not represent members in CPP appeals. This publication contains general information and is intended as a reference only. It is not a substitute for independent legal advice regarding your particular situation.

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