



CORPORAL (RETIRED)

PHILIPPE R.

SERVED IN REGULAR FORCES



ROYAL CANADIAN AIR FORCE

12 YEARS

SALARY AT RELEASE: \$63,624

OVERVIEW

SEX: MALE

AGE: 30

LIFE EXPECTANCY: 83 YEARS

RELATIONSHIPS STATUS: MARRIED, TWO CHILDREN

TYPE OF RELEASE: MEDICAL

HEALTH SUMMARY

DISABILITY ASSESSMENT: 60%

OSTEOARTHRITIS OF THE LUMBAR SPINE: 10%

RIGHT SHOULDER ROTATOR CUFF SYNDROME: 10%

TINNITUS: 11%

OSTEOARTHRITIS OF THE LEFT ANKLE: 5%

CARPAL TUNNEL: 5%

OSTEOARTHRITIS OF THE LEFT TOE: 4%

HEARING LOSS: 10%

INTERNAL DERANGEMENT OF THE KNEE: 5%

KEY BENEFITS

PAIN AND SUFFERING COMPENSATION

INCOME REPLACEMENT BENEFIT

TREATMENT BENEFIT



SITUATION

Philippe enjoyed his work as an aviation systems technician in the Royal Canadian Air Force. However, prolonged exposure to loud noises and the intricate and physically intensive nature of working on large aircraft took a toll on his body. Eventually, he found it difficult and painful to fulfill his duties. After releasing from the military, he worked with his case managers from both the Canadian Armed Forces and Veterans Affairs Canada (VAC) to establish physical and vocational rehabilitation plans.

RECOGNITION

NON-ECONOMIC/NON-TAXABLE

PAIN AND SUFFERING COMPENSATION **

Amount: \$660 per month

Total Amount: Up to \$381,700 over lifetime

Duration: Life

INCOME REPLACEMENT

ECONOMIC/TAXABLE

INCOME REPLACEMENT BENEFIT **

Amount: \$4,000 per month

Total Amount: Up to \$2.266 million over lifetime

Duration: Life

WELLNESS BENEFITS

- + Case management services
- + Treatment benefits
- + Rehabilitation and Vocational Assistance Program

OTHER

Philippe would likely not be in receipt of a CAF military long-service pension.

Note 1: All amounts reflected in 2017 NPV.

Note 2: At age 65, IRB payments are reduced to 70% of the Veteran's IRB before turning 65

** EFFECTIVE APRIL 1, 2019

BENEFITS AND SUPPORT

Through the Pain and Suffering Compensation, Philippe will receive a total value of \$381,700 (non-taxable) as recognition of his service-related pain and suffering. It will be paid monthly for life.

The Canadian Armed Forces Long Term Disability insurance program determined that Philippe was totally disabled at the time he was medically released. Later, VAC's separate assessment established that Philippe has a diminished earning capacity. Therefore, Philippe's income replacement and rehabilitation needs will be addressed through a partnership between CAF LTD and VAC until he reaches the age of 65. At that point, VAC will take full responsibility for delivering Philippe's programs and services.

To compensate for his loss of income Philippe will receive monthly income replacement payments during his rehabilitation period. Given VAC's assessment of his diminished earning capacity, the Income Replacement Benefit will continue for his lifetime up to a net of \$2.266M (after tax). When Philippe starts receiving this benefit for life, his IRB will be increased by 1% every year to recognize lost career progression. He will be recognized for eight years of lost career progression. Once Philippe reaches the age of 65, the IRB will continue at a reduced rate.

As part of his rehabilitation, Philippe is working with his VAC physiotherapist and occupational therapist. Once he is finished his program, Philippe would like to keep active and stay engaged in his community. He is considering working part-time in his local garage a few days a week, as he can earn up to \$20,000 without reduction of his Income Replacement Benefit.