

# Pain and Suffering Compensation

The purpose of the Pain and Suffering Compensation (PSC) is to recognize and compensate you for the pain and suffering you experienced as a direct result of your service-related disability. This includes impacts on your overall quality of life and family (surviving spouse, common-law partner and/or dependent children). You can choose to receive this benefit as monthly payments for the remainder of your life, or to cash the monthly amount out for a lump sum payment.

This benefit comes into effect 1 April 2019.

Any future disability benefit applications after 31 March 2019, will be for the Pain and Suffering Compensation because it is replacing the current Disability Award.

---

## Eligibility

If you have a disability resulting from a service-related illness and/or injury, you will be eligible to apply for Pain and Suffering Compensation. However, not all members and Veterans will receive the same level of payment.

**Note:** In order to benefit from the introduction of this new benefit, if you have received the Disability Award since 2006 you may receive an additional monthly amount. The calculation of this additional monthly amount is determined by taking into consideration the actual amount of Disability Award previously paid to you, the amount that you could have received as a monthly payment, and mortality rates.

## Payment calculation

The amount of money that you receive as part of this benefit is directly related to the extent of your service-related disability. As part of the application process, a Veterans Affairs Canada adjudicator reviews your service and medical history. Following an assessment of both the extent of disability, and whether or not service is the cause, a level of disability is assigned to you. It is this level of disability that determines your monthly PSC payment.



## Payment and delivery

You may choose from two different payment methods:

### A monthly payment for the remainder of your life

The maximum monthly payment is \$1,150 for life. The amount you receive depends on the extent of your service-related disability. The greater the extent of service-related disability, the larger the payment would be, to a maximum of \$1,150 per month.

### A lump sum cash out

The highest possible lump sum payment of the PSC would be \$ 374,169.60 for 2019.

**Note:** Both the monthly and lump sum payments will be indexed annually in accordance with the Consumer Price Index.

## Non-taxable benefit

This specific benefit is not taxable because it compensates for pain and suffering.

## In the event of death

If you are receiving the PSC monthly benefit at the time of your death, your survivor and dependent children will receive the balance of your PSC as a lump sum payment.

Survivors and dependent children may also apply for a PSC if you could have applied prior to your death, and they may receive a lump sum amount, if approved.

## Other financial support

There are other non-taxable benefits available such as the existing Clothing Allowance and Critical Injury Benefit as well as the new Additional Pain and Suffering Compensation. If you have been injured and/or ill you can also receive the Income Replacement Benefit, a taxable benefit which is meant to compensate for loss of earnings. A wide range of benefits, programs and services in support of overall well-being—social, mental, physical and professional—are also available to you through Veterans Affairs Canada.

## Financial advice

We will continue to cover the costs related to receiving financial advice, up to a maximum of \$500 under the Pain and Suffering Compensation.

## Appeal options

If you are not satisfied with your Pain and Suffering Compensation decision, you have the following options:

### A REVIEW HEARING

A Review hearing with the Veterans Review and Appeal Board, which operates independently from Veterans Affairs Canada to provide a fair appeal process for Pain and Suffering Compensation decisions.

### B DEPARTMENTAL REVIEW

A Departmental Review from Veterans Affairs Canada if you have new evidence to support your Pain and Suffering Compensation application.

For help with these options, you can contact:

- The Bureau of Pensions Advocates, a free legal service within Veterans Affairs Canada (1-877-228-2250);
- A Veterans' organization, like the Royal Canadian Legion (1-877-534-4666); or
- A representative of their choice at your own expense.