

SISIP LTD/VOC-REHAB Programs

Recommendation

NCVA continues to take the long-held position that SISIP LTD/VOC-REHAB should be eliminated, placing all SISIP LTD and VOC-REHAB under VAC parallel programs with reference to service attributable medical releases for all disabled veterans falling under the Pension Act or the New Veterans Charter/Veterans Well-Being Act (NVC/VWA) – one program/one service delivery model.

One of the priority recommendations of NCVA, the Ministerial Policy Advisory Group (MPAG), the New Veterans Charter Advisory Group, numerous veteran consultation groups, the Standing Committee on Veterans Affairs and the Office of the Veterans Ombud for many years has been to suggest that the insurance culture needs to be removed from the compensation made available to veterans and their families. The compensation of veterans and their dependants should not be a function of the insurance industry whose mandate, in many situations, is to minimize exposure of the insurer's policy when applied to injured or disabled individuals.

NCVA continues to have a fundamental concern as to whether Service Income Security Insurance Plan Long Term Disability (SISIP LTD) for service-related disabilities should be continued at all or whether it should be eliminated due to the multiple restrictive standards that exist not only with the SISIP LTD program but also the SISIP Vocational Rehabilitation (VOC-REHAB) program.

It is noteworthy that the following distinctions exist between the SISIP programs and the VAC policies in relation to income replacement and vocational rehabilitation:

- (i) There is no benefit of the doubt or presumptive provisions contained in the SISIP insurance policies as compared to veterans legislation where such liberal interpretation is recognized.
- (ii) There is no \$20,000 income exception in the SISIP LTD program as is the case with VAC's income replacement policy, which has the effect of incentivizing the return to work for the disabled veteran.
- (iii) There is no income replacement post-65 in the SISIP program – income replacement extends for life for those veterans qualified as suffering a Diminished Earning Capacity with VAC.
- (iv) SISIP's long-term disability policy has a much more stringent disability test for eligibility compared to the Diminished Earning Capacity formula (veteran earning less than two-thirds of military income).
- (v) An anomaly in the current SISIP policy provides only 75 per cent of income replacement for disabled

veterans, which must in turn be topped up by VAC to attain the 90 per cent level that is the VAC standard for income replacement.

- (vi) Many NCVA members and, indeed, attendees at the National Stakeholder Summit this year voiced serious criticism and concern as to the degree of harassment confronting seriously disabled veterans from managers of SISIP as to the question of continued qualification or eligibility of such veterans with specific reference to income, employment or rehabilitation status.

As a matter of background, a fundamental commitment made by the Government at the time of the enactment of the New Veterans Charter was the recognition that the SISIP LTD program should be eliminated and fully replaced by a liberalized income replacement loss benefit administered by VAC.

The constraints placed on the NVC/VWA by the restrictive provisions of the SISIP LTD program and the SISIP VOC-REHAB program are felt in the present context and should be removed as soon as possible. This government commitment made by the minister and deputy minister of the day was part and parcel of the understanding between the veteran stakeholder community and VAC in consideration of the immediate passage of the Charter by Parliament in 2006.

There may indeed be an opportunity for further dialogue at this time with DND/CAF as a consequence of the recent appointment of a new Chief of Defence Staff, Lt-Gen Jennie Carignan. It is not without significance that,

traditionally, the DND/CAF hierarchy has unfortunately exhibited strong resistance to moving away from the SISIP program.

It is to be noted that the “wellness program” strongly advocated by VAC and, more particularly, by former Deputy Minister Walt Natynczyk, is clearly impacted by the fact that the greater majority of medically released CAF members fall under the administration of the SISIP VOC-REHAB program. In effect, VAC does not have the capacity to control and operate this portion of the VOC-REHAB program and is left with little accountability as to the impact that the SISIP program will have on veterans in regard to this essential element of the NVC/VWA.



With reference to the question of service- and non-service-related disabilities, it has been the experience of the veterans' community that this entire question of whether a member of the Canadian Forces is to be considered "on duty" for the purposes of pensionability either under the Pension Act or the NVC/VWA has been a long-standing grievance.

The regulations in this area would be far clearer and more equitable if the Government/department agreed to adopt the "insurance principle" in this context so that all members of the military would be considered "on duty" at all times and thus eligible for various financial benefits such as the Pain and Suffering Compensation and Income Replacement programs once they put on a uniform. This would clear up the potential interpretive issues that are raised in the regulations to the NVC/VWA and would address the confusion and ambiguity that often results when individual hypothetical cases reflect "gray areas" or areas of dispute.

The resultant effect of this recognition would also further the objective of eliminating the SISIP LTD program even for non-service-related disabilities, which, of course, was its original and exclusive mandate in the 1970s when it was first created.