The Canada Disability Benefit and Assured Income for the Severely Handicapped Program

FREQUENTLY ASKED QUESTIONS (FAQ) FOR SERVICE PROVIDERS - July 25, 2025

What is the Canada Disability Benefit (CDB)?

The CDB is a new federal income-tested benefit that provides low- and modest-income working-age persons with disabilities up to \$200 per month in financial support.

Applications for the CDB opened on June 20, 2025. If an individual qualified for the CDB, payments will start the month after their application is received and approved, with retroactive payments back to July 2025 for eligible individuals.

More information about the CDB can be found on <u>Canada.ca</u>.

What are the AISH client's responsibilities regarding the CDB?

The Assured Income for the Severely Handicapped (AISH) program requires clients and their spouse/partner (if applicable) to make use of or claim all income to which they are entitled.

Clients are required to apply for the CDB and have been prompted by the AISH program to apply for the CDB via cheque messages, letters, web content and through conversations with their AISH worker.

The federal government has determined that, to be eligible for the CDB, individuals must have a valid Disability Tax Credit and have filed an income tax return for the previous tax year.

Clients seeking assistance with filing their tax return may access free tax clinics.

What is the Disability Tax Credit (DTC)?

The DTC is a non-refundable tax credit that helps Canadians with severe and prolonged impairments, or their supporting family members, reduce their income tax. Individuals must file an income tax return before applying for the DTC. Individuals who do not work and have no taxable income may still be eligible for the DTC.

More information about the DTC and how to apply is available on the CRA website.

How does a person apply for the DTC?

To apply for the DTC, an individual must complete the DTC Certification form (Part A) and submit it to the Canada Revenue Agency (CRA). Once Part A is complete, the individual must arrange for a medical practitioner to complete the DTC medical form (Part B), which certifies the effects of the impairment on the person.

What if an AISH client is applying for the DTC but cannot afford to pay for the medical form?

A medical practitioner may charge DTC applicants a fee for completing the medical portion of the application form. The federal government's Budget 2024 committed funding to cover the cost of the medical forms required to apply for the DTC. Details of this reimbursement model have not yet been announced, and more information will be shared when it becomes available. In the interim, if paying up front for the DTC medical fee creates financial hardship, AISH clients may request consideration by AISH to cover this cost, which will be repayable to AISH upon reimbursement by the federal government.

Are supports available to assist clients in applying for the CDB or DTC?

The federal government offers a list of <u>organizations providing disability benefits navigation services</u>. Voice of Albertans with Disabilities (VAD) is an Alberta organization funded by the federal government to provide direct disability benefit navigation services to persons with disabilities and their families and caregivers.

If the client cannot find a doctor willing to complete the DTC form, where can they go?

Albertans are encouraged to use the <u>Find a Doctor</u> tool to locate a family physician or nurse practitioner accepting new patients in their area. Alternatively, Alberta Health Services (AHS) offers <u>Virtual Health</u> to connect patients by phone or video to physicians. Albertans can contact <u>Health Link Alberta</u> at 811 for health advice from experienced nurses or visit the AHS <u>Know Your Options</u> webpage for more information about nearby programs and services, including hospitals and walk in clinics.

How does CDB income affect a client's AISH benefit amount?

The Canada Disability Benefit is non-exempt income for AISH recipients. An individual's monthly AISH benefit will decrease by the amount of the federal Canada Disability Benefit that they receive, meaning that overall monthly government disability support will remain the same for Albertans receiving AISH.

How will CDB income be treated for clients living in a continuing care facility receiving a Modified Living Allowance?

The CDB will be treated as exempt income for AISH clients who are eligible to receive a Modified Living Allowance, meaning that their AISH benefit will not be reduced by the amount of CDB they receive.

Do clients need to notify AISH of the status of their CDB or DTC application?

Yes, AISH clients have been informed of the requirement to access the CDB and advised to notify their local AISH office by September 5, 2025, of the status of their DTC and CDB application. This will allow workers to monitor the file and adjust as necessary.

Do clients need to provide substantiation regarding their CDB application status?

Clients are expected to update the AISH program on the status of their CDB application. This can include verbal updates (e.g. awaiting a medical appointment to complete the DTC medical form or awaiting a CDB eligibility decision). In some cases, substantiation may be requested in the form of documentation (e.g. if a client is denied eligibility for the DTC or CDB, the denial letter). This will support accurate case management of the file.

What if a client has been denied DTC in the past?

The federal government significantly broadened the DTC eligibility criteria in 2025. In cases where an AISH client was denied eligibility for the DTC prior to 2025, they will be required to reapply for the DTC. If a client was denied the DTC in 2025, they should provide substantiation to confirm denial to avoid a reduction in benefits.

What if an AISH client does not apply for the CDB?

Given the statutory requirement to access all sources of income they may be eligible for, AISH clients who have not communicated the status of their CDB application prior to September 5, 2025, may see an equivalent amount to the CDB benefit, a maximum of \$200, deducted from their monthly AISH benefits, beginning with the October period of assistance.

AISH benefits will not be held or terminated if a client does not communicate the status of their CDB application. Clients who are taking steps to access the CDB and communicate this to the AISH program will not see a reduction in their AISH benefit.