



Income replacement benefit

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The income replacement benefit is part of the Enhanced Accident Benefits. If you are injured in a crash in B.C. and are unable to work, you may be eligible for income replacement. Coverage starts on the eighth day after the crash. Income replacement benefit is meant to support you with income assistance until you're able to work again.

90%

of net income in wage loss

Based on maximum \$122,500 gross income

Please see: [Your Guide to Enhanced Accident Benefits](#) for more information.

The income replacement benefit covers income that you lost because of your injuries from the crash. If eligible, you're entitled to receive up to 90% of your net income in wage loss replacement based on a maximum of \$122,500 in annual gross income. If you earn more than this, talk to your broker about options available to you. The income replacement benefit is paid out in regular, non-taxable payments. Coverage begins on the eighth day after the crash.



Enhanced Care

You'll get income replacement and care benefits **for as long as medically needed**, no matter who is responsible.

Receiving your income replacement benefit

The income replacement benefit is available to B.C. residents injured in a crash in Canada or the U.S. The benefit is paid after any other wage loss benefits, like employer group benefits and Employment Insurance (EI). You'll need to apply for those benefits first and then the amount you receive from those sources will be subtracted from your ICBC income replacement benefit payment.

First, your inability to work will need to be confirmed by a health care practitioner. Then, if eligible, you can submit an application for the income replacement benefit online. You'll need to provide information on your paid work history for the last 52 weeks before the crash date, any self-employed income and business involvements, and any in-progress or confirmed job offers.

Once you submit your application, you can review your application details and track its progress online.

After your application is submitted, we'll ask you to submit supporting documents so we can calculate your benefit amount. Documents like pay stubs, tax slips and proof of business income help us determine your income and the benefits you're entitled to.

Duration of income replacement benefit

The income replacement benefit is intended as a temporary measure to support you while you focus on your recovery. You'll receive payments every two weeks until you're able to return to work or become eligible for a retirement income benefit.

Benefit calculation scenario

Here's an example that shows how the income replacement benefit through Enhanced Accident Benefits would work both with and without other wage loss benefits:

Jessie is a salaried marketing consultant who earns a gross annual income of \$75,000. Jessie is 42 years old with two young children. On the way home, Jessie's vehicle is rearended by a distracted driver. Jessie suffers soft tissue injuries to the lower back and a mild concussion. Due to the crash, Jessie is unable to work and will probably be off work for about two months to recover.

Income replacement benefit calculation

Benefit calculation with basic income replacement benefit only

Actual gross employment income:

\$75,000

EAB maximum yearly insurable income:

\$122,500

Insured gross income:

\$75,000

*Deductions (tax, CPP, EI):

\$15,000

Net income:

\$60,000

Benefit calculation based on 90% of net:

$\$60,000 \times 90\% =$

\$54,000

Bi-weekly benefit:

$\$54,000 / 365 \text{ days} \times 7 = \$1,035.62$

$\$1,035.62 \times 2 = \mathbf{\$2,071.24 \text{ bi-weekly}}$

With an employer group benefit plan

Here's an example if Jessie had purchased disability coverage through a private plan. In this scenario, Jessie has disability coverage at 70% of their net income with no cap on insured gross income.

Note: The 70% coverage is used for example purposes only. Disability or group benefit plans may vary.

Benefit calculation including other disability benefits

Actual gross employment income:

\$75,000

EAB maximum yearly insurable income:

\$122,500

Insured gross income:

\$75,000

Deductions (tax, CPP, EI):

\$15,000

Net income:

\$60,000

Benefit calculation based on 90% of net:

$\$60,000 \times 90\% = \$54,000$

Deduct private benefits based on 70% of net:

$\$54,000 - 42,000 = \$12,000$

Bi-weekly benefit:

$\$12,000 / 365 \text{ days} \times 7 = \230.14

$\$230.14 \times 2 = \mathbf{\$460.28 \text{ bi-weekly}}$

Note: This benefit amount is in addition to the amount received from the private benefit plan. Once the private benefit plan is exhausted, Jessie will be entitled to a \$2,071.24 bi-weekly payment.

Note for the charts: The amount deducted for tax, CPP, and EI is for illustrative purpose only

The information in this publication is intended to provide general information only and is not intended to provide coverage, legal or professional advice. We have used plain language to help you understand basic and optional policies. Information in this document is subject to change without notice. You must review and adhere to the more detailed wording and requirements of current applicable statutes, regulations and your insurance policy, even if they contradict the wording and requirements set out in this publication.

