



## NEW SUPPLEMENT FOR HANDICAPPED CHILDREN WITH EXCEPTIONAL CARE NEEDS

This information bulletin describes in detail the eligibility requirements and the application of a new supplement, the supplement for handicapped children with exceptional care needs, which will be incorporated into the refundable tax credit for child assistance.

This new supplement, which will be granted retroactively to April 1, 2016, is intended to increase the financial support granted to parents to help them provide for a child who has a serious illness or severe disabilities, in order to recognize the exceptional nature of their situation and enable them to assume their extraordinary responsibilities.

For information on this supplement, interested persons may contact Retraite Québec at 514 864-3873 if they are in the Montréal region, at 418 643-3381 if they are in the Québec region, and at 1 800 667-9625 (toll-free) if they are elsewhere in Québec. They may also visit Retraite Québec's website, at [www.retraitequebec.gouv.qc.ca](http://www.retraitequebec.gouv.qc.ca).

The English and French versions of this bulletin are available on the Ministère des Finances website, at [www.finances.gouv.qc.ca](http://www.finances.gouv.qc.ca).

## Tax assistance to support minor children

The refundable tax credit for child assistance, which has been granted since 2005, occupies an important place in Québec's family policy, in that it provides families with financial assistance to help them provide for their children under 18 years of age.

This tax credit, which is paid monthly or quarterly, is composed of a child assistance payment and a supplement for handicapped children. The child assistance payment, which includes a universal base, is determined according to family income, in order to grant additional assistance to low- and middle-income families. The supplement for handicapped children, which is intended to address the additional needs of a handicapped child, is granted irrespective of family income.

Currently, the supplement for handicapped children is granted in respect to a child who has an impairment or a developmental disability that substantially limits the child in the activities of daily living during a foreseeable period of at least one year, in accordance with the rules set forth in the tax regulations.

The amount of this supplement, \$189<sup>1</sup> per month, does not, however, take into account the exceptional situations of handicap faced by certain children and their parents.

While the condition of children who have a serious illness or severe disabilities is specific to each child, it always has a major impact on the family, requiring, for example, numerous appointments with health professionals, the use of specialized devices, equipment or techniques, and frequent hospitalizations, as well as constant, demanding parental care.

To address these multiple needs, children and their parents have access to various government programs and services with respect to, among other things, health, adaptation/rehabilitation, technical assistance, respite or home support.

However, to ensure the well-being of a child in such a situation of handicap, parents must assume extraordinary responsibilities in administering care and coordinating services, to say nothing of the fact that they must be extra vigilant at all times. These responsibilities entail additional expenses for care and services that are not fully reimbursed under government programs.

To better acknowledge the reality of these families, the tax legislation and regulations will be amended to provide that a new component will be added, retroactively to April 1, 2016, to the refundable tax credit for child assistance, namely, the supplement for handicapped children with exceptional care needs.

This new supplement is intended to increase the financial support granted to parents to help them provide for a child who has a serious illness or severe disabilities, in order to recognize the exceptional nature of their situation and enable them to assume their extraordinary responsibilities.

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<sup>1</sup> This amount is automatically adjusted each year.

Given that the new supplement is intended to meet the multiple service needs of a handicapped child with exceptional care needs, the new supplement, like the supplement for handicapped children, will not be reducible on the basis of family income.

It will mean another \$947<sup>2</sup> per month, that is, \$11 364 a year, in direct additional assistance for the families concerned. Together with the amount already granted through the supplement for handicapped children, the total financial assistance in respect of a handicapped child with exceptional care needs will reach \$13 632 annually.

The situation of handicap of children in respect of whom the supplement for handicapped children with exceptional care needs may be granted will be based on a clinical definition, established by a working group in which physicians, pediatricians and rehabilitation professionals participated, that takes into account the conceptual model in *Quebec Classification: Disability Creation Process*.<sup>3</sup>

The tax legislation and regulations will also be amended to update the rules for determining whether a child's condition justifies the payment of a supplement for handicapped children, so that, among other things, the rules are better harmonized with the conceptual model in *Quebec Classification: Disability Creation Process*.

## ❑ **New supplement for handicapped children with exceptional care needs**

### ■ **Determination of the new supplement**

For the purpose of calculating the refundable tax credit for child assistance for a particular month following March 2016, an amount, called the "supplement for handicapped children with exceptional care needs," equal to the product obtained by multiplying \$947 by the number of recognized eligible dependent children in respect of whom an individual is, at the beginning of that month, an eligible individual<sup>4</sup> will be added to the child assistance payment and the supplement for handicapped children to which the individual is entitled for the month.

The amount of \$947 granted as the supplement for handicapped children with exceptional care needs will be automatically adjusted each year as of January 1, 2017.

As with the indexation of the main parameters of the personal income tax system, the index used will correspond to the percentage change in the overall average Québec consumer price index without alcoholic beverages and tobacco products (QCPI-WAT) for the 12-month period ending on September 30 of the year preceding that for which the amount is to be adjusted, compared to the average QCPI-WAT for the 12-month period that ended on September 30 of the year before the year preceding that for which the amount is to be adjusted.

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<sup>2</sup> This amount will be automatically adjusted each year.

<sup>3</sup> Patrick Fougeyrollas, René Cloutier, Hélène Bergeron, Jacques Côté and Ginette St-Michel, *Quebec Classification: Disability Creation Process*, Québec, International Network on the Disability Creation Process, 1998, 162 pages.

<sup>4</sup> Briefly, an eligible individual in respect of an eligible dependent child, at the beginning of a particular month, refers to an individual who, at that time, meets the following conditions: resides with the child and is the father or mother of the child; is resident in Québec; has (or the individual's spouse has) recognized status, such as Canadian citizenship or permanent resident status; and is not exempt from tax.

This index will be applied, for a particular year, to the previous year's value of the amount subject to adjustment. For greater clarity, if the result obtained by applying the index is not a multiple of 1, it will be adjusted to the nearest multiple of 1 or, if it is equidistant from two multiples of 1, to the nearest higher multiple of 1.

### ■ **Recognized eligible dependent child**

Subject to the general exclusions indicated below, a recognized eligible dependent child will mean a child in respect of whom a supplement for handicapped children is paid and who, for a foreseeable period of at least one year, is in situation A or situation B.

#### ■ **Situation A**

Situation A corresponds to that of a child who has impairments or a designated mental function disability causing severe, multiple disabilities which, according to the prescribed rules, prevent the child from performing the life habits of a child of his or her age without assistance.

To be contemplated by this situation, a child must be, at the beginning of a particular month, at least two years of age, in the case of a child who has impairments, and at least four years of age, in the case of a child who has a designated mental function disability.

In this situation, a designated mental function disability will mean a mental function disability characterized by a severe or profound intellectual impairment, or by an autism spectrum disorder associated with an intellectual impairment and a severe behaviour disorder.

In addition, in this situation, only life habits that a child should perform, for the child's age, to take care of himself or herself and participate in social life, and that consist of nutrition, personal care, moving about, communication, interpersonal relations, responsibilities and education, will be subject to examination.

Moreover, under the rules to be prescribed, a child who has impairments or a designated mental function disability causing severe, multiple disabilities will be considered to have disabilities preventing him or her from performing the life habits of a child of his or her age without assistance only if the outcome of the interaction between the child's disabilities and the environmental factors as facilitators of, or obstacles to, the performance of the child's life habits in his or her various living environments causes:

- where the child is at least four years of age, an absolute limitation respecting the performance of the life habits of nutrition, moving about and communication;
- in other cases:
  - an absolute limitation respecting the performance of five life habits and a serious or absolute limitation respecting the performance of at least one other life habit; or
  - an absolute limitation respecting the performance of four life habits, including that relative to moving about, and a serious or absolute limitation respecting the performance of at least two other life habits.

To this end, a limitation will be:

- absolute if the child is completely unable to perform a life habit, for the child's age, without assistance despite the presence of facilitating environmental factors;
- serious if the child always or nearly always has considerable difficulty performing a life habit, for the child's age, without assistance despite the presence of facilitating environmental factors.

#### ■ **Situation B**

Situation B corresponds to that of a child whose health condition requires specified complex medical care at home that is provided by the child's father or mother, who received prior training at a specialized centre in order to learn the specific techniques for using the required equipment and be able to respond to any potentially life-threatening change in the child's clinical condition.

However, for a child to be contemplated by this situation, the child's father or mother, as the case may be, must have begun providing specified complex medical care at home to the child.

In this situation, specified complex medical care at home will be any of the following types of care:

- complex respiratory care, namely, non-invasive mechanical bi-level positive airway pressure (with BiPAP) or care relating to a tracheotomy with or without invasive mechanical ventilation;
- complex nutritional care, namely, parenteral feeding;
- complex cardiac care, namely, intravenous administration of positive inotropes;
- complex renal care, namely, peritoneal dialysis.

For greater clarity, a child able to self-administer specified complex medical care at home will no longer be contemplated by situation B, since the care is not provided by the child's father or mother, as the case may be. However, the child may be contemplated by situation A if he or she meets the related criteria.

#### ■ **General exclusions**

For the purposes of the supplement for handicapped children with exceptional care needs, a recognized eligible dependent child will not include a child who is lodged or sheltered under the law or a child who receives personal assistance at home under one of the following provisions:

- section 158 of the *Act respecting industrial accidents and occupational diseases*;
- section 79 of the *Automobile Insurance Act*;
- section 5 of the *Crime Victims Compensation Act*.

Nor will a child be considered a recognized eligible dependent child if:

- without a valid reason, the treatments or measures likely to improve the child's condition are not applied or continued;
- there is refusal or omission to comply with a request for information or an examination to assess the child's condition.

### ■ **Application for the supplement**

For an amount to be granted as the supplement for handicapped children with exceptional care needs, an application, along with multidisciplinary reports prepared in respect of the child, must be submitted to Retraite Québec.

Given the time required to adapt administrative procedures and systems, processing of these applications will begin in September 2016. As a result, the first payments of the supplement for handicapped children with exceptional care needs will be made in fall 2016.

For greater clarity, in accordance with the existing rules applicable to the other two components of the refundable tax credit for child assistance, the new supplement may be paid for a maximum period of 11 months preceding the month in which the application was received if, during that period, the child was in situation A or situation B and all the other eligibility requirements were met. However, no amount will be paid as the supplement for handicapped children with exceptional care needs for a period before April 1, 2016, that is, for a period prior to the effective date of the new supplement.

### ■ **Assessment of files**

Where divergent opinions exist concerning the assessment of a child's condition, Retraite Québec may require that the child be examined by the physician it designates, or by any other member of a professional order. If valid grounds are presented to the choice of the physician or the member of a professional order, Retraite Québec will designate another physician or member.

Retraite Québec may require, at any time, that the child's condition be re-assessed.

Moreover, the prescribed rules governing the way in which an impairment or a mental function disability is manifested and the assessment that must be made in this regard for the purposes of the supplement for handicapped children will also apply in the assessment of the child's condition for the purposes of the supplement for handicapped children with exceptional care needs.

### □ **Update of the rules applicable to the supplement for handicapped children**

Under the existing tax legislation, a supplement for handicapped children can be paid in respect of a child who, according to the prescribed rules, has an impairment or a developmental disability that substantially limits the child in the activities of daily living during a foreseeable period of at least one year.

In this regard, the tax regulations set forth the circumstances in which a child may be presumed to be substantially limited in the activities of daily living, by describing numerous presumed cases of a severe handicap resulting from an impairment or a developmental disability.

In the event where no presumption applies to a child, the tax regulations lay down, among other things, the method to be used to assess the seriousness of the child's limitations and the elements on the basis of which an impairment or a developmental disability may be attested.

While the method established for assessing the seriousness of a child's limitations includes criteria similar to those used in the conceptual model in *Quebec Classification: Disability Creation Process*,<sup>5</sup> the approach it adopts may produce results different from those that would be obtained using the conceptual model.

Now that the conceptual model in *Quebec Classification: Disability Creation Process* is widely recognized in Québec, the tax legislation and regulations will be amended to update the rules for determining whether a child's condition justifies the payment of a supplement for handicapped children, so as to better harmonize them with this conceptual model. Terminological amendments will also be made to better reflect the vocabulary used in the field.

More specifically, the tax legislation will be amended to provide that a supplement for handicapped children can be paid in respect of a child who, according to the prescribed rules, has an impairment or a mental function disability that substantially limits the child in the activities of daily living of a child of his or her age during a foreseeable period of at least one year.

It will also be amended to provide that, for the purposes of the supplement for handicapped children, the supplement for handicapped children with exceptional care needs and the attendant prescribed rules, life habits will be those which should be performed by a child, for the child's age, to take care of himself or herself and participate in social life, and which consist of nutrition, personal care, moving about, communication, interpersonal relations, responsibilities and education.

Two sets of prescribed rules will be applicable to determine whether a child has an impairment or a mental function disability that substantially limits the child in engaging in the life habits of a child of his or her age.

The first set of rules will fully resume the rules currently set forth in the tax legislation with respect to presumed cases of serious handicap. Thus, a child whose condition, during a foreseeable period of at least one year, corresponds or is comparable to the cases mentioned in Schedule A to the *Regulation respecting the Taxation Act* will be presumed to be handicapped, unless one of the exclusions in that schedule applies to the child.

The second set of rules will apply in all cases where no presumption applies to a child.

In such cases, the seriousness of a child's limitations in performing the life habits of a child of his or her age will be assessed on the basis of the outcome, for the child's life habits in his or her various living environments, of the interaction between the following criteria:

- the disabilities resulting from the impairment or the mental function disability;
- the environmental factors as facilitators of, and obstacles to, the performance of life habits.

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<sup>5</sup> See note 3.



In this respect, impairments and mental function disabilities will not be presumed to substantially limit the performance of life habits before the beginning of diagnostic intervention, or if they affect a function that is not yet developed in a healthy child.

Moreover, if a child's health condition can be improved through therapeutic intervention recognized by the scientific community, the seriousness of the child's limitations in performing the life habits of a child of his or her age will be assessed once treatment has been initiated.

If required for assessing a premature infant's condition, the age of the infant will be adjusted by subtracting the number of weeks of prematurity.

For the purposes of this second set of rules, it will be specified that an impairment is manifested by a persistent histological, anatomical or metabolic alteration of one of the organic systems or by the persistent alteration of the corresponding physiological function.

Such an alteration must be confirmed by objective signs through a physical examination, biological tests or medical imaging or, in the case of the visual system and the auditory system, a recognized measurement of visual acuity or hearing. The results must be attested to by a member of a professional order.

It will also be specified that a mental function disability is manifested by persistent, clinically significant disturbances respecting cognition, language, behaviour and the regulation of emotions that hinder or delay the integration of experiences and learning and compromises the child's adaptation.

The disability must be assessed by a member of a professional order in accordance with the practice guides and guidelines established by the professional order in question.

The assessment report must include, among other things, a medical history, the analysis of standardized test scores, observations of the child's functioning in his or her various living environments obtained from significant persons, and a description of the child's abilities and disabilities relative to the disability diagnosed.

Where a standardized test is used, the derived score must be expressed in centiles, standard deviations or quotients and the confidence interval must be stated in the professional's report.

A standardized test is a test where the raw score is converted into a relative measure that ranks a child's profile in comparison with a standardized group.

If, for the tests used, there is no direct correspondence between the profile of the child assessed and the standardized reference group due to language or culture, the professional's report must include a qualitative analysis describing the child's abilities and disabilities, so that the test results can be corroborated.

#### **□ Application dates**

The measures pertaining to the new supplement for handicapped children with exceptional care needs will apply as of April 1, 2016.



The measures pertaining to the update of the rules governing the supplement for handicapped children will apply to any application for that supplement or for the supplement for handicapped children with exceptional care needs that is submitted to Retraite Québec after the date of publication of this information bulletin. They will also apply to any application for the supplement for handicapped children submitted before the day following the date of publication of this information bulletin for which no decision was rendered by Retraite Québec before that day.