
INFORMATION BULLETIN

2010HSD0026-000219
March 4, 2010

Ministry of Housing and Social Development

PROVINCE PROTECTS SERVICES FOR LOW-INCOME CLIENTS

VICTORIA – The Province is updating income assistance programs to ensure it can manage an increased caseload and provide benefits to as many people as possible. The changes will be implemented in a manner that is fair to all British Columbians and supports children and families.

The current economy has placed greater demands on income assistance programs and the number of individuals receiving income assistance in B.C. has grown by 15 per cent over the last year to 177,526 recipients. This increase represents an additional \$19.8 million in payments every month. Today's changes will save \$10 million in 2010-2011 and \$15 million in 2011-2012. Funds will be redirected to programs that provide monthly support and shelter costs.

The following changes take effect beginning April 1, 2010:

- Persons with Disabilities, income assistance clients and low-income families will have more flexibility to choose dental services. Changes include children receiving up to \$1,400 for basic dental services every two years instead of \$700 per year, and eliminating out-of-pocket costs to clients for major procedures over \$700.
- The diet supplement will be expanded to include up to \$40 a month for children who have difficulty in controlling epilepsy and people who have a serious genetic disorder, called phenylketonuria (PKU).
- Each year, the Province funds 1,800 funeral services for low-income British Columbians, including the costs of transportation, burial plots, caskets or urns, burial and cremation. Sponsors of immigrants who have the financial means to pay for a funeral will be added to the list of people responsible for covering funeral expenses.
- The life-threatening health need program supports low-income British Columbians by paying for medical equipment, supplies and transportation that address a life-threatening health need. To ensure the program is sustainable over time and helps those who need it the most, an income test will be introduced for people who do not receive income or disability assistance. To be eligible, a client must be in receipt of Medical Service Plan Premium Assistance, which allows for an adjusted net income of \$30,000 annually.
- Persons with Disabilities and income assistance clients can get help paying for essential medical supplies and equipment to reduce serious health risks. To ensure these programs will be available to meet the most medically essential needs of clients, certain items will no longer be covered, including pre-made foot orthotics, electrotherapy devices, diagnostic testing devices (such as glucometers), medication delivery devices and contraceptive devices.

- Currently, former income assistance clients maintain access to some provincial health supplements as they transition to other programs that provide higher income and health benefits, such as federal assistance or employment. Clients who receive higher federal benefits will no longer be eligible for provincial support.
- The minimum shelter allowance provides \$75 a month to persons with disabilities and income assistance clients from age 60 to 64, even if they do not pay rent. This is an out-dated policy that excludes most income assistance clients and will be eliminated.
- A \$20 monthly bottled water supplement will no longer be available since British Columbia has some of the safest drinking water in North America. A three-month transition period will be implemented for clients currently receiving the supplement.

British Columbia's total income assistance rates are the third-highest in Canada for employable singles and fourth for Persons with Disabilities. Approximately 177,500 British Columbians are dependent on income assistance. The 2010-11 budget for income assistance is \$1.5 billion – a \$57.8-million increase from the September 2009 budget update.

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A backgrounder follows.

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BACKGROUND

2010HSD0026-000219
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Ministry of Housing and Social Development

PROTECTING SERVICES FOR LOW-INCOME CLIENTS

Beginning April 1, 2010, changes will be implemented to ensure income assistance programs are sustainable and continue to deliver support services to as many people as possible. Changes will be fair to all British Columbians and will support children and families.

Dental Services

- Persons with Disabilities (PWD), income assistance clients and children in low-income families will have more flexibility to choose dental services. Children will be eligible to receive up to \$1,400 for basic dental services every two years instead of \$700 per year, eliminating out-of-pocket costs to clients for major procedures over \$700.
- The limit for basic dental services for children and PWD clients under general anaesthetic in a hospital or an approved facility will be increased to \$1,000 from \$500 per year.
- An additional \$100 may be provided to eligible clients for dentures.
- Examinations, polishing and fluoride treatments will be permitted once a year instead of twice a year.
- X-ray coverage will be limited to \$54.71 every two years, instead of once a year.
- These changes create more flexibility for clients and will save about \$3.1 million over the next two years.

New Diet Supplements

- The Province is expanding diet supplements to include two new diets for children who have difficulty controlling epilepsy and people who have a serious genetic disorder, called phenylketonuria (PKU).
- Income assistance and PWD clients can receive up to \$40 a month to help pay for these specialized diets.
- These changes are expected to cost approximately \$43,000 a year. The Province already invests about \$8.4 million annually on diet supplements for approximately 22,000 people who have medical conditions such as diabetes, kidney dialysis, dysphagia and cystic fibrosis.

Funeral Supplement

- The Province provides approximately \$3.7 million annually to cover the costs of 1,800 funeral services for low-income British Columbians. This includes transportation, burial plots, caskets or urns, burial and cremation fees.
- In addition, the Province covers the fees of a funeral provider, to a maximum of \$2,100, covering items and services such as:
 - Preparing the body for burial or cremation.
 - Facility fees for a memorial service or funeral.
 - Counselling and co-ordination with a legal representative.
- Sponsors of immigrants who have the means to pay for a funeral will be added to the list of people responsible for covering funeral expenses.
- Changes are expected to save approximately \$1.5 million over the next two fiscal years.

Medical Equipment and Supplies

- The medical equipment and supplies supplement provides PWD and income assistance clients with medical supplies and equipment to help reduce serious health risks.
- The Province will ensure that funding is targeted to the most medically essential needs, including wheelchairs, scooters, walkers, airway pressure devices and supplies for burn treatment. Items that will no longer be covered include pre-made foot orthotics, electrotherapy devices, diagnostic testing devices (such as glucometers), medication delivery devices and contraceptive devices.
- These changes are expected to save over \$9.3 million over the next two fiscal years.

Life-threatening Health Need

- The life-threatening health need program supports low-income British Columbians by paying for certain health supplements that address a life-threatening health need.
- To ensure the program is sustainable over time and helps those who need it the most, the Province is introducing an income test for B.C. residents who do not receive income or disability assistance.
- To be eligible, a client must be in receipt of Medical Service Plan Premium Assistance, which allows for an adjusted net income of \$30,000 annually.
- The Province will pay for medical items that address a direct and imminent threat to a person's life such as airway pressure equipment, a wheelchair, or burn treatment garments.
- Certain items and services not considered necessary to address a life-threatening health need will no longer be covered such as optical, dental or extended therapies including chiropractic and physiotherapy.
- Estimated cost savings, which are combined with savings from Medical Services Only, are more than \$2 million over the next two fiscal years.

Medical Services Only (MSO)

- This program ensures low-income British Columbians maintain access to health supplements as they transition from provincial income assistance to other programs that provide higher income and health benefits, such as employment or federal assistance.
- The Province is introducing an income test based on MSP Premium Assistance and putting time limits on how long a client can access MSO health supplements during the transition from provincial programs to employment or federal assistance. Previously, there was no time limit as long as they were B.C. residents. The length of time will vary depending on a variety of factors including a client's classification for income assistance and their eligibility for other programs.
- Health supplements may include medical equipment and supplies, dental and optical care.
- To encourage PWD clients to pursue employment, former clients retain access to health supplements while they work as long as they receive MSP Premium Assistance.
- Over 14,700 former clients have access to health supplements, including clients designated as either PWD or persons with persistent multiple barriers to employment.
- Estimated cost savings, which are combined with savings from life-threatening health need, are more than \$2 million over the next two fiscal years.

Minimum Shelter Allowance

- The minimum shelter allowance provides \$75 a month to PWD and income assistance clients from aged 60 to 64, even if they pay no rent.
- This is an out-dated policy that excludes most income assistance clients, and it is being eliminated.
- The Province will continue to help connect clients to stable housing and supports. Many single clients may be eligible for shelter payments of up to \$375 a month by providing proof of rent or utilities, while families may be eligible for significantly higher shelter payments.
- Approximately 1,400 clients receive this allowance. The changes take effect June 1, 2010. Estimated savings for two years is approximately \$1.9 million.

Monthly Nutritional Supplements

- The Province will no longer pay for a \$20 monthly bottled water supplement as British Columbia has some of the safest drinking water in North America.
- Clients will continue to receive the bottled water supplement for a three-month transition period. Eliminating the bottled water supplement will save approximately \$1.68 million over two years.
- As well, PWD clients will qualify for a \$205 monthly nutritional supplement, which covers vegetables, fruit, vitamins, minerals and special meals if they have two or more of the following symptoms:
 - Malnutrition
 - Underweight status
 - Significant weight loss
 - Significant muscle mass loss
 - Significant neurological degeneration
 - Significant deterioration of a vital organ
 - Moderate to severe immune suppression
- Previously, clients with one symptom qualified for the monthly nutritional supplement.
- The cost saving for the monthly nutritional supplement including bottled water and new eligibility requirements is about \$6.9 million over the next two fiscal years.

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