

Who Benefits?

2007

**How disability benefits are
failing British Columbians**

Summary version

**BC Coalition of People with Disabilities
September 2007**

Introduction

This paper summarizes the main issues and recommendations contained in our brief *Who Benefits? 2007*. The brief was presented to the Minister of Employment and Income Assistance in January 2007 and was updated slightly following the February 2007 budget. It can be accessed from the BC Coalition of People with Disabilities (BCCPD) website at www.bccpd.bc.ca or by calling Jane Dyson at 604-872-1278.

In *Who Benefits? 2007* we show how the individual needs of people with disabilities in BC are not being met by the current provincial disability benefits system. We examine four principle issues of concern within the disability benefits system: benefits rates, the Persons with Disabilities (PWD) benefit, the Persons with Persistent and Multiple Barriers to Employment (PPMB) benefit, and service delivery and accountability. The brief contains 16 recommendations including one for a new disability benefits Act.

The increase to the shelter allowance announced in February 2007 will not begin to meet the needs of people with disabilities who rely on provincial income supports. The brief's recommendations also include our proposed new disability benefits rates that more accurately reflect the real costs of living in BC.

The brief also includes the personal experiences of British Columbians who are recipients of disability benefits or who have applied for them. Through their stories and the many more we hear from the clients we serve at the BCCPD, it is clear that the disability benefits system is not working.

We know that the current system of disability benefits is not what British Columbians want. It is time for change. We need new legislation so that people with disabilities can feel secure of their income supports and live as healthy lives as possible with dignity and independence in their communities. We urge the provincial government to immediately begin consultation with the disability community to reform the disability benefits system and establish disability benefits rates that meet the needs of British Columbians with disabilities.

Needs of British Columbians with disabilities not being met

British Columbia's income assistance and support programs are not meeting the individual needs of our citizens with disabilities. Most British Columbians believe income assistance exists to ensure a level of dignity, safety and health for its recipients. Unfortunately, our social assistance system is falling far short of fulfilling this purpose.

Over the last few years, extensive legislative and policy changes have drastically eroded people with disabilities' access to needed supports. British Columbians with disabilities find themselves dealing with a benefits system that, from its legislation to the interpretation and execution of policy, is informed by a focus on gate-keeping and cost-cutting.

Narrow eligibility requirements, complicated application processes, delays and unrealistic decisions are causing enormous hardships. Much-needed benefits are being delayed or denied by restrictive legislation and definitions, cost-cutting "streamlining" procedures such as moving decision-making from the local to the regional level, and the removal of discretion in decision-making.

Since 2002, the province has cut the Ministry of Employment and Income Assistance (MEIA) budget by more than \$500 million. Scores of Ministry offices have closed across BC. British Columbians no longer deal with the same Employment and Income Assistance Worker (EAW) who is familiar with their case and individual needs but must speak to different EAWs when they contact their local office. Or they must struggle to access what they need by computer or phone if the MEIA office in their area has been closed. This has resulted in an impersonal system staffed by EAWs who are unable to address situations and individual needs that do not fit neatly into pre-determined boxes.

The disability benefits application process has become much more demanding. Before individuals are even able to submit their application to MEIA for adjudication they are subject to a number of hurdles including a 3-week wait after they first contact MEIA. The additional procedural barriers involved in proving eligibility for benefits and the many delays have greatly increased the level of anxiety and overall hardship for people who need income supports.

As the system has become increasingly focussed on fulfilling administrative requirements and cutting costs, it has moved further and further from its original purpose of providing benefits to those in need.

A new provincial disability benefits act required

The legislation governing the provision of disability benefits, *the Employment and Assistance for Persons with Disabilities Act (EAPWD)*, introduced in 2002, sets the tone by its omission of a Preamble such as that included in the previous legislation, the *Disability Benefits Program Act (DBPA)*. That short statement spoke of benefits as a social safety net and of treating people with disabilities with “fairness, dignity and sensitivity to their diverse needs as individuals.”

The disability community was extremely disappointed when the *EAPWD* replaced the *DBPA* without any broad-based community consultation. The *EAPWD* contains a narrower definition of disability that, among other things, no longer recognizes the increased cost of living with a disability as part of the eligibility criteria. As well, the disability designation is no longer permanent.

After more than four years of experience with the *EAPWD*, it is clear that far from meeting the needs of people with disabilities, the legislation and policy has made it more difficult to access assistance. The BCCPD is calling on the provincial government to replace the *EAPWD* with a new Act governing disability benefits. An Act that will enable people with disabilities who need provincially-administered income supports to live with dignity and independence.

We urge the government to consult the disability community so that we can work together to design legislation that will make the system responsive to the individual needs of people with disabilities and ensure that they are provided with an adequate level of income accessed through a respectful process. The new Act should include:

- A new definition of disability
- Disability as a permanent designation
- Recognition of the many barriers encountered by people with disabilities in their quest for independence
- Recognition of the importance of accessible services
- Flexibility in addressing the diverse and evolving needs of the disability community
- A broad range of disability supports and programs, not limited to employment, that allow people with disabilities to realize their potential
- Accountability to the principle of ensuring that British Columbians with disabilities receive the support they need to live with health, safety, dignity and the independence to participate in our communities.

Benefits rates are inadequate

Individuals who establish their eligibility for the PWD benefit, often after more than one attempt, are forced to live on grossly inadequate benefits—hundreds of dollars less than the amount estimated as the bare minimum for shelter and support for a person *without* disabilities. As we have noted, the recent increase to the shelter allowance will not change this dire situation.

The cost of housing in British Columbia has grown at a rapid rate over the past few years — the difficulty of securing affordable housing, particularly in Greater Vancouver, is well known. It is even more difficult to find housing that accommodates a person with disabilities. Despite the 2007 increase to the shelter allowance, people with disabilities will continue to find it necessary to dip into their support allowance to make up shortfalls in rent or to pay for other necessities or emergencies that arise. People with disabilities who rely on income supports live restricted lives filled with anxiety, insecurity and the fear of being reassessed and losing their pitifully inadequate benefits.

It is inhumane to provide benefits so inadequate that people's health and safety is compromised as they struggle to survive in abject poverty.

Proposed new disability benefit rates

We are proposing new benefit rates for people with disabilities, based on a more accurate reflection of the financial assistance they require to meet the costs of living in BC communities today. We are basing our recommended rates on the amounts that the Social Planning and Research Council of BC (SPARC) has determined is the minimum a person *without* disabilities needed to live in BC in 2005 combined with the amount that the Ministry deemed necessary to add to its basic Income Assistance (IA) rate to accommodate the additional cost of living with a disability *before* the shelter increase allowance announced in 2007.

Before the \$50 increase, a single person on the PWD benefit received \$346 more for support than the basic IA amount for support. A single person on the PPMB benefit received \$98 more than the basic IA amount for support. The 2007 increase to the shelter allowance reduced the differential between the basic assistance and disability benefit rate by \$50. However, the real cost of living with a disability has not gone down and people with disabilities do not need less money for support. Our formula is therefore based on MEIA's previous calculation of the cost of living with a disability.

Our proposed new benefit rates for a single person* on disability benefits are reflected in the following tables:

Proposed PWD benefit rate

PWD (single person)

Basic IA support recommended by SPARC	\$599
Previous difference between basic IA and PWD support	<u>\$346</u>
Total support	\$945
Shelter recommended by SPARC	<u>\$634</u>
Total PWD benefit	\$1,579

Temporarily Excused benefit

We are recommending that the PPMB benefit be replaced with the Temporarily Excused category. The PPMB benefit is not serving British Columbians. It has not worked since its inception and is seriously flawed by policy and procedural inconsistencies. And, it cannot help people who have had to stop working and who need temporary income support — and extended medical coverage — because of their health.

The Temporarily Excused (from seeking employment) benefit requires a doctor's letter acknowledging a medical condition has existed for six months. It has no waiting period and provides recipients with the basic income assistance rate.

The Temporarily Excused benefit would provide the same medical coverage and benefits as PPMB. People on the Temporarily Excused benefit would also be eligible for the annual bus pass. Adjudication would be done at local MEIA offices.

We believe strongly that this is a workable solution to the problems with the PPMB benefit that we have detailed in the full version of the *Who Benefits? 2007* brief.

Temporarily Excused benefit (single person)

Basic IA support recommended by SPARC	\$599
Previous difference between basic IA and PPMB support	\$98
Total support	<u>\$697</u>
Shelter recommended by SPARC	\$634
Total Temporarily Excused benefit	\$1,331

* Other household sizes would have corresponding rate increases based on this formula.

Index-linked rates

In addition to increasing the amount of benefits, the rates must be index-linked so that benefits recipients do not fall behind in the financial assistance necessary to live in BC.

Comforts Allowance

Residents of many group homes and other health care facilities receive a small monthly allowance. The Comforts Allowance provides them with \$95 a month spending money for items not provided by the facility.

In the February 2007 budget, the government announced changes to the way in which Community Living BC (CLBC) residents will receive their spending money. All CLBC residents will now receive \$190 per month. Residents of other facilities will continue to receive only \$95.

The disability community has serious concerns about the Comforts Allowance system and would like to see it reviewed. The disparity created by the February 2007 announcement is unacceptable. In the meantime, the Comforts Allowance should be increased to at least \$200 a month for all residents of group homes and health care facilities.

Conclusion

British Columbia's disability benefits system must be reformed without delay

The current benefits system — even after the small increase announced in the provincial budget on February 20, 2007 — does not realistically address the situation and needs of British Columbians with disabilities. The rates remain far too meagre to meet the minimum costs of living in our province, let alone cope with the additional costs of living with a disability. In addition, procedural barriers make it difficult to obtain and keep needed benefits.

We propose new, more realistic disability benefit rates and are also recommending that the drastically flawed PPMB benefit be replaced. Our other recommendations are aimed at making the benefits system more responsive to the needs of applicants and recipients and more efficient in delivering services.

We urge the government to embark immediately on a complete reform of the current benefits system, including a new provincial disabilities benefits Act. This process must be undertaken in consultation with the disability community to ensure that the new system is informed by the needs, experiences, and expertise of the very people that it is supposed to serve.

Delay in reforming the benefits system only prolongs the injustice and hardship for people who need assistance. It is inhumane to recognize that some members of our society need assistance and yet refuse to provide them with a level of assistance that enables them to maintain their health, live in a safe and secure environment, and participate as independently as possible as members of our communities.

Recommendations

BCCPD recommends the following changes to make BC's benefits system better able to meet the needs of people with disabilities.

Recommendation 1: That the provincial government work with the disability community to design a new Act governing the provision of provincial disability benefits.

Recommendation 2: Include a Preamble in the new disability benefits Act that outlines the philosophy behind the disability programs and reinforces the values of respect, dignity and fairness in responding to the diverse needs of individual British Columbians.

Recommendation 3: Increase and index-link all benefit rates to reflect the real cost of adequate housing, food and living with a disability. For example, the PWD rate for a single person should be \$1,579 and the Temporarily Excused rate (replacing PPMB) for a single person should be \$1,331.

Recommendation 4: Increase the Comforts Allowance to at least \$200 a month for all residents of group homes and health care facilities.

Recommendation 5: That the PWD designation be permanent.

Recommendation 6: Eliminate arbitrary time barriers, including the three-week waiting period, and ensure that procedural requirements do not delay or deny the receipt of financial assistance.

Recommendation 7: Redesign the PWD application form to make it shorter and easier for health professionals to provide appropriate and relevant information about applicants.

Recommendation 8: Reduce the time it takes to adjudicate PWD applications and make disability benefits payable from the date the Ministry receives the application.

Recommendation 9: Allow discretion in decision-making at all levels of the Ministry to assess and address people with disabilities' individual needs and situations.

Recommendation 10: Everyone with the PWD designation should retain their medical coverage if they become ineligible for provincial disability assistance.

Recommendation 11: Ministry funded extended health coverage must be more widely available to people with disabilities on low income.

Recommendation 12: Replace the Persons with Persistent and Multiple Barriers to Employment (PPMB) benefit with the Temporarily Excused category and set the rate for a single person at \$1,331. The Temporarily Excused category would provide the same medical coverage and benefits as PPMB, as well as the annual bus pass.

Recommendation 13: Anyone who contacts a Ministry office for benefits must not be discouraged from seeking eligibility. They must be advised of the possibilities available to them, including their right to Reconsideration and a Tribunal hearing, and given help interpreting this information in relation to their circumstances.

Recommendation 14: The Ministry must be accountable for mistakes and delays that it is responsible for and take immediate action to rectify them quickly and retroactively.

Recommendation 15: End automatic closure of files without a review of the client's specific circumstances.

Recommendation 16: Reform the appeal process so that new evidence may be submitted at Tribunal. In the case of successful appeals, benefits should be reinstated from the date of the original decision to deny benefits.