

**Calgary Public Policy Roundtable
“Building Community Capacity and Addressing Policy Issues”**

A New Policy Framework for AISH

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EXECUTIVE SUMMARY

This New Policy Framework for AISH has been developed by eight not-for-profit organizations in Calgary, and endorsement of this proposed framework is limited to these eight agencies. In addition, more than 80 disability-serving agencies and AISH recipients from across the province attended a half-day consultation in March 2004 to provide feedback on a preliminary policy framework. Input from this consultation was used to revise the policy framework.

This framework proposes a new purpose and goals for the program that the Calgary AISH Public Policy Roundtable hopes will be a foundation for further discussion and development.

In order to achieve equality and live a life of dignity, all individuals including those with permanent disabilities need access to adequate personal and financial supports. The purpose of the AISH program should be to provide financial assistance and to facilitate access to other necessary supports that enable full participation of individuals with disabilities in the family, social, economic, and political life of Alberta's communities. Doing so is good for all citizens – with or without disabilities.

The AISH program should shift from its current practise of providing a financial benefit only, to ensuring people with disabilities have the necessary supports to live a life of dignity. The proposed policies are:

1. The AISH program will support individuals for whom the social and structural barriers associated with disability prevent full participation in the family, social, economic, and political life of Alberta communities. Individuals will have sufficient financial resources either through AISH or a combination of employment and AISH.
2. The AISH program recognizes that some people with severe permanent disabilities face significant barriers to competitive employment, while others might be sporadically employed. People in both categories are equally deserving of the AISH benefit. AISH will flexibly support individuals who have differing abilities and employment barriers.
3. In addition to providing sufficient income, the AISH program will provide supplementary benefits to those AISH recipients who have additional costs and daily living needs associated with their disability.
4. AISH benefits will be indexed to recognize regional disparities and overall increases in the general costs of living. Indexing will be sufficient to offset dramatically different living costs across the province and to sustain the ability of individuals with permanent disabilities to fully participate in Alberta communities.

5. People eligible for AISH will be eligible for a health benefit, even if they do not receive income support under AISH.
6. The AISH program is flexible and supports those who are able to transition into the workforce.
7. To enable full participation in family life, the AISH program will be flexible enough to accommodate the diverse family circumstances of AISH recipients.
8. AISH will be delivered effectively and efficiently, particularly in terms of accessibility, eligibility and communication of available benefits.
9. AISH will work within a cross-ministry policy framework to actively reduce barriers to full family, social, economic, and political participation.
10. The AISH program recognizes that assets, savings and trusts are important for long-term financial security and well-being.

BACKGROUND

As a community builder, United Way of Calgary and Area is committed to enhancing the capacity of the voluntary sector to influence public policy. A New Policy Framework for AISH is a demonstration project involving senior executives from a number of voluntary sector organizations in Calgary. They have worked together since August 2003 to examine Assured Income for the Severely Handicapped (AISH) issues, as these issues impact many of Alberta's most vulnerable citizens. The project builds on the community's capacity to play a more effective role in developing public policy by enhancing mutual problem-solving skills and building constructive relationships.

The agencies involved in this project are: AIDS Calgary, Alexandra Community Health Centre, Calgary SCOPE Society, Canadian Mental Health Association, Developmental Disabilities Resource Centre of Calgary, Multiple Sclerosis Society of Canada, United Way of Calgary and Area, and The Vocational Rehabilitation and Research Institute.

This project was funded and coordinated by United Way of Calgary and Area. The Max Bell Foundation funded a process evaluation component. Capacity Consulting, IMI Strategics, and Marcomm Works provided consulting services. The work to develop a renewed policy framework to address the needs of AISH recipients has benefited considerably from information provided by MLA Alana Delong and senior staff from Alberta Human Resources and Employment (AHRE).

BRIEF HISTORY OF AISH

AISH was established in 1978 as an income replacement supplement. It recognized that people with permanent disabilities have specific needs and tried to ensure that those in need had sufficient financial support to cope in the community. The AISH program has grown from an initial 1,000 recipients to more than 30,000 today. Many AISH recipients, agencies that serve them, and other stakeholders believe AISH does not currently meet the needs of recipients. AHRE has indicated its belief that the program is not sustainable in its present form.

The AISH program has remained largely unchanged since 1978 because of complex program issues and limited action on proposed revisions. As a result, it continues to move further out of step with the rising costs of living faced by people with permanent disabilities.

NEW POLICY FRAMEWORK

This framework proposes a new purpose and goals for the program. The policy proposals within this framework require additional consideration and development. However, they provide a foundation for a renewed AISH program that will better meet the needs of permanently disabled Albertans. It will ultimately better meet the needs of the province as the participation of all citizens is maximized.

In March 2004, over 80 individuals attended a half-day community consultation to review and provide feedback on a preliminary policy framework. These individuals represented a broad range of disability-serving agencies and AISH recipients from across the province. Their input has been incorporated into this final policy framework.

AISH PROGRAM STRENGTHS

The current AISH program has a number of strengths that should be retained. They are:

- a) Recognition that Albertans have a responsibility to provide publicly funded support for persons with permanent disabilities.
- b) A program that allows people personal choice and responsibility with respect to how they spend the money allocated to them.
- c) Extended health benefits when CPP exceeds AISH or when current AISH recipients return to work. This enables people to pursue careers while continuing to receive financial support for medical care.

- d) An asset retention clause that enables families and individuals to provide for their life long needs. The program recognizes people should not have to spend themselves into extreme poverty in order to qualify for AISH.
- e) Some recognition that people with disabilities incur higher costs than people without disabilities.

AISH PROGRAM PRESSURES

The AISH program has a number of pressures that need to be considered:

- a) AISH benefits do not reflect the different costs of living resulting from regional disparities throughout Alberta.
- b) Alberta health care costs are rising for everyone, and the inclusion of these costs in the AISH program are putting pressure on the department's budget.
- c) There is a perception that some people receiving AISH are actually ineligible.
- d) There is a negative public perception of income support programs. Income support programs do not appear to be a priority for Albertans.
- e) According to government officials:
 - The program is experiencing uncontrolled growth and higher program costs because of changing demographics, increased population and an increase in the number of recipients.
 - AISH bears costs associated with other ministries, such as health benefits.
 - Other programs within AHRE (i.e. job training) are competing for budget dollars with AISH.
 - The AISH program has low administrative overhead relative to other government programs.

A RENEWED VISION FOR AISH

As noted in the *Alberta Disability Strategy*, “equality for all citizens, regardless of their race, creed, background or abilities, is a fundamental right in Albertan and Canadian society.” In order to achieve equality, all individuals, including those with permanent disabilities, need access to adequate personal and financial support to live a life of dignity.

The purpose of the AISH program should be to provide financial assistance and facilitate access to other necessary supports so that individuals with severe permanent disabilities can fully participate in the family, social, economic, and political life of Alberta’s communities.

PROPOSED POLICY FRAMEWORK PRINCIPLES

The AISH program will:

- Provide sufficient income so that AISH recipients can not only meet their basic needs but can fully participate in the family, social, economic, and political life of Alberta’s communities, and thereby enjoy a lifestyle comparable to Albertans without disabilities.
- Help to ensure that people with permanent disabilities are able to live lives of dignity.
- Support people with permanent disabilities in their efforts to seek greater financial independence.
- Provide financial assistance tailored to the needs of persons with permanent disabilities.
- Work seamlessly with other support programs.

POLICY PROPOSALS

Policy 1: Income Support

The AISH program will support individuals for whom the social and structural barriers associated with disability prevent full participation in the family, social, economic, and political life of Alberta communities. Individuals will have sufficient financial resources either through AISH or a combination of employment and AISH.

Policy Implementation

AISH income support will be increased to an amount that meets or exceeds the amount needed for the AISH recipient and their dependants to fulfill basic needs and fully participate in the family, social, economic, and political life of Alberta communities. The 2000 Federal Market Basket Measure is an example of the minimum amount necessary to support basic needs and full participation.

Policy Rationale

People with disabilities should not have to live in poverty because they are dependent on the AISH benefit. Currently the benefit is inadequate and many AISH recipients are living in poverty as a result.

The effects of poverty, including inadequate nutrition and shelter and social isolation, contribute to poor mental and physical health, adding to the costs of our health care and social support systems.

The proposed policy shifts the purpose of the AISH program from an emphasis on financial supports to a broader purpose of promoting and enabling the full participation of individuals with disabilities in the family, social, economic, and political life of Alberta's communities. This fits more closely with the Government of Alberta's stated agenda of wanting to increasingly recognize the social and economic value associated with the full participation of all citizens in society.

Policy 2: Eligibility

The AISH program recognizes that some people with severe permanent disabilities face significant barriers to competitive employment, while others might be sporadically employed. People in both categories are equally deserving of the AISH benefit. AISH will flexibly support individuals who have differing abilities and employment barriers.

Policy Implementation

AISH assistance will be provided to:

- People with a severe permanent disability who experience barriers that prevent them from securing/sustaining part-time or full-time employment.
- People with a severe permanent disability who are only partially or periodically able to financially support themselves through employment due to episodic disability or limitations placed upon them by the employer or workplace.

Policy Rationale

There are two broad categories of people who should be eligible to receive the AISH benefit. This reflects the growing recognition that people with disabilities can make a valuable contribution to the workforce.

Policy 3: Supplementary Benefits

In addition to providing sufficient income, the AISH program will provide supplementary benefits to those AISH recipients who have additional costs associated with their disability.

Program Implementation

The AISH program will provide supplementary benefits to cover the additional costs associated with disabilities. Assessment of the eligibility for these supplementary benefits will be carried out by qualified health professionals.

Policy Rationale

People with severe permanent disabilities may be confronted with numerous additional expenses associated with their disability such as:

- a. Accommodation (e.g. accessibility, renovation)
- b. Food (e.g. special dietary requirements)
- c. Clothing (e.g. adapted and warm clothing)
- d. Childcare (e.g. additional supports)
- e. Transportation (e.g. adapted vehicles, special needs)
- f. Telephone (e.g. Bethany Life Line)
- g. Social participation, recreation and leisure
- h. Medical expenses not covered by Alberta Health Care
- i. AISH related administrative costs (e.g. assessments, dispensing fees)

It is not possible to prioritize these additional costs because they are dependent on the AISH recipient's individual needs and circumstances.

Currently, the AISH program does not provide all the necessary supplementary benefits, and eligible recipients are moved to income supports under Alberta Works. This change would ensure that AISH recipients do not have to move to another income support program to receive supplementary benefits.

Policy 4: Indexing for Cost of Living and Regional Disparities

AISH benefits will be indexed to recognize regional disparities and overall increases in the general costs of living. Indexing will be sufficient to offset dramatically different living costs across the province and to sustain the ability of individuals with permanent disabilities to fully participate in Alberta communities.

Program Implementation

The AISH benefit will use an indexing methodology to address regional disparities and general increases in the costs of living. An immediate cost of living and regional disparity index will be applied until a formal indexing methodology is developed. When applying the index, no region in Alberta will financially supplement another.

Policy Rationale

AISH rates have increased only 4.9% since 1993. Statistics Canada reports that the cost of living has increased by over 20% during that same time. AISH income support is not indexed to inflation or the cost of living. Benefits do not recognize there are significant differences in living costs in communities across the province. The result is that AISH recipients, most of who already live in poverty, are getting poorer.

The Premier's Council on the Status of Persons with Disabilities released the *Alberta Disability Strategy* in 2002. It recommends "adjusting annually the AISH amount by the cost of living index." An indexing methodology would ensure that AISH rates better reflect the true cost of living, relative to where a person lives in the province.

Policy 5: Health Benefit

People eligible for AISH will be eligible for a health benefit, even if they do not receive income support under AISH.

Program Implementation

People with a severe permanent disability who are not on AISH or have never been on AISH will be able to apply for a health benefit. Additional medical costs realized by people with a severe permanent disability will be covered through the health benefit.

Policy Rationale

Some individuals apply for AISH or remain on AISH to get or keep a health benefit. As well, some individuals on AISH do not seek more employment income for fear of losing their health benefit. Pressure on the AISH program may be reduced if a health benefit could be obtained without applying for AISH. Similarly, more AISH recipients may leave the program if they could retain their health benefit and have a full-time job.

Policy 6: Supports for Employment

The AISH program is flexible and supports those who are able to transition into the workforce.

Program Implementation

Earnings exemptions will be increased and claw backs reduced to remove disincentives to work. AISH recipients will be given significant financial incentives for returning to work. For example, individuals will be able to retain a greater portion of their earnings. This will encourage them to seek greater involvement in the workforce and help offset extra costs associated with disability and employment.

Improved access to sufficient and appropriate training and employment programs will be available through government or community programs. Employers will be encouraged to create employment strategies and increased opportunities for disabled Albertans.

Policy Rationale

More AISH recipients would likely participate in the labour force and have increased financial independence.

Policy 7: Family Support

To enable full participation in family life, the AISH program will be flexible enough to accommodate the diverse family circumstances of AISH recipients.

Program Implementation

The AISH program will allow adults on AISH to preserve relationships with their spouse and/or children. For AISH recipients with children, AISH benefit levels will reflect both the cost of living with a disability and the additional costs associated with supporting children.

Income exemptions will be increased for single parents with one or more dependants, for cohabiting partners where one partner is eligible for AISH, and for cohabiting partners with children where both partners are eligible for AISH.

Children of AISH recipients will continue to receive health benefits after age 18 provided they meet the criteria for dependant (i.e. full-time student).

Policy Rationale

AISH program benefits and income exemption levels that place significant value on family relationships mean AISH recipients can play a more meaningful role in the lives of their spouses and children. In some cases, it means keeping families intact that could otherwise not afford to stay together.

For AISH recipients who have a spouse or cohabiting partner, increased spousal income exemption levels would reflect the need for people with disabilities to maintain financial independence and security.

The policy change would increase the incentive to work as the family would retain more of the additional income.

Government officials have indicated that it may be more cost effective to keep AISH recipients with dependants in the AISH program, than forcing a move to another social support program like Alberta Works.

Policy 8: Effective and Efficient Program Delivery

AISH will be delivered effectively and efficiently, particularly in terms of accessibility, eligibility and communication of available benefits.

Program Implementation

The AISH program will have sufficient resources to be administered in a way that is client-centered. The program will recognize and appropriately accommodate the multi-barriers that many AISH applicants and recipients face. More efficient delivery will result in a less onerous application process, including reduced duplication of effort and shorter waiting times for the applicant. A model for consideration is being developed by staff at Social Development Canada with regards to the Canada Pension Plan Disability benefit.

Policy Rationale

AISH applicants frequently wait several months without income before being notified of a decision. Many AISH applicants also find the application process to be complex. Internal efficiencies must be improved to provide more timely decisions and reduce the burden on the applicant.

Currently the AISH applicant is solely responsible for ensuring that their application is complete (i.e. supporting documentation from doctors is submitted on time). This change would assist the AISH applicant in fulfilling this responsibility.

Policy 9: Cross Ministry Coordination

AISH will work within a cross-ministry policy framework to actively reduce barriers to full family, social, economic, and political participation.

Program Implementation

The provincial Office For Disability Issues will take a lead role in developing a cross-ministry initiative that creates, through increased communication and problem-solving, a common supports framework for people with disabilities. All ministries will be encouraged to address the needs of people with disabilities along with other Albertans in their planning and programming. Where appropriate this coordination will extend to other municipal and federal governments in areas like transportation and housing subsidies for people with low incomes.

Policy Rationale

Cross-ministry coordination will enable the Government of Alberta to provide services to people with disabilities in a comprehensive, equitable and cost effective way. Current isolated approaches result in inconsistencies and outcomes that are neither beneficial to the recipient nor the government. For example, by moving responsibility for the health benefit to Alberta Health and Wellness, the cost of this support is assigned to a ministry with a direct responsibility for health care.

Coordination with other programs will reduce assessment costs, eliminate duplication of effort and result in more consistency regarding benefits and eligibility. These other programs may include supports for:

- a. Transportation
- b. Career counselling
- c. Education and training
- d. Workplace transition
- e. Emergency one-time expenditures
- f. Accommodation and utility deposits
- g. Home care and personal supports
- h. Assistive devices

Policy 10: Asset Limit and Discretionary Trusts

The AISH program recognizes that assets, savings and trusts are important for long-term financial security and well-being.

Program Implementation

The current asset limit of \$100,000 will be maintained to provide the necessary conditions for long-term financial security.

In addition, families will be able to establish discretionary trusts in support of family members with a disability. Money or property contained in a trust for a person on AISH will not be considered an asset. However, revenue received from the trust will be subject to AISH's normal financial eligibility rules and limitations.

Policy Rationale

The current asset limit in Alberta is \$100,000. This ceiling, along with discretionary trusts, would provide the opportunity for people with disabilities and their families to have responsible, long-term financial plans in place.

More AISH recipients would have the income they need to meet basic needs and participate in the family, social, economic, and political life of Alberta communities. Trusts may reduce pressure on some government support programs by providing an alternative source of revenue for severely disabled individuals.

