

April 15, 2005

## **AISH living allowance to rise up to \$1,000 by April 2006**

Earning exemptions increased, new benefits added in response to MLA report

Edmonton... Albertans receiving Assured Income for the Severely Handicapped (AISH) will receive up to \$1,000 each month by next April, and have access to additional benefits and higher earning exemptions following government's response to the recommendations of the MLA AISH Review Committee.

"We heard that many AISH clients felt the living allowance of \$850 a month was too low," said Yvonne Fritz, Minister of Seniors and Community Supports. "Through this increase, the addition of supplementary benefits, increased earnings exemptions and other worthwhile changes, we will enhance the program and address concerns raised by clients, their families and other Albertans."

The AISH living allowance will immediately increase to a maximum \$950 each month, and an additional increase in April 2006 will bring it to a maximum of \$1,000 per month. Government also committed to reviewing the amount every two years starting in 2007.

Government will also implement recommendations to improve the earning power of AISH clients by increasing the employment earnings exemptions for those who work. In addition, government will provide supplementary benefits to help cover additional medical supplies, special transportation, child care and special needs costs, which previously were not covered by AISH. Also accepted, were recommendations on improving client services and coordinating government services provided to Albertans with disabilities. [See backgrounder for recommendations and government's response.]

"My thanks to the MLA AISH Review Committee for these important recommendations, which have provided a blueprint to help government renew the AISH program," says Minister Fritz. "I also thank the more than 18,000 Albertans who participated in the review process by sharing their ideas and comments."

The total 2005-06 budget for AISH is \$488 million. Implementing these changes is expected to cost approximately \$55 million in 2005-06 and nearly \$91 million in 2006-07.

Copies of the MLA report and recommendations are available at [www.aishreview.gov.ab.ca](http://www.aishreview.gov.ab.ca) or by calling 310-4455. The report is also available in Braille and audio formats.

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Backgrounder, summary of the recommendations of the AISH review committee, AISH MLA review facts and AISH program facts.

**Media enquiries may be directed to:**

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To call toll free within Alberta dial 310-0000.

# Backgrounder

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## Summary of the Recommendations of the MLA AISH Review Committee

Recommendation	Accepted	Time frame	Additional cost to implement
1. Increase the monthly maximum financial benefit for all clients to \$1,000, then to \$1,025 effective April 2006. Starting in 2007, conduct bi-annual reviews of the benefit rate.	Modified	Phase One: \$950 April 2005  Phase Two: \$1,000  April 2006	\$40.3 million in 2005-06. \$62 million in 2006-07.  (2004-05 budget for the AISH financial benefit of \$850/month was \$275 million)
2. Provide supplementary benefits as part of the AISH program, in addition to the base financial benefit, to AISH clients with liquid assets of less than \$3,000 (e.g. special transportation, medical, child care and school supplies).	√	October 2005 (an average benefit of \$180/month per eligible client)	Estimated cost of \$10.5 million for remainder of 2005-06 and \$22 million next year.
3. Increase employment earnings exemptions as follows:  ? increase by \$200 a month for singles and couples, the amount that is fully exempt  ? increase from 25% to 50% the exemption rate on income over this amount, to a maximum of \$1,000 for singles and \$2,000 for couples (income earned above these maximum amounts would not be exempt).	√	October 2005	Estimated cost of \$2.4 million for remainder of 2005-06 and \$4.8 million next year.

<p>4. Discontinue the requirement that AISH recipients collect Canada Pension Plan (CPP) benefits at age 60.</p>	√	May 2005	<p>Estimated cost of \$400,000 in 2005-06 and \$700,000 in 2006-07.*</p> <p>*expected to reach \$2.2 million when fully implemented</p>
<p>5. Review how income is treated under AISH to clarify rules for what income is fully exempt, partially exempt and not exempt.</p>	√	October 2005	To be determined.
<p>6. Retain the asset limit at \$100,000.*</p> <p>(*includes cash, savings, property, trusts, etc. AISH recipient can also own a principal residence, a vehicle adapted to the person's disability and one other family vehicle. Also, includes a review of how trusts are treated within the asset limit.)</p>	√	No change	None.
<p>7. Establish contracts with experts to provide advice to AISH staff regarding complex eligibility decisions and to the Citizens' Appeal Panel as required.</p>	√	July 2005	<p>Estimated cost of \$900,000 for remainder of 2005-06 and \$1.25 million next year.</p>
<p>8. AISH staff meeting periodically with clients to identify supports to move toward greater independence.</p>	√	July 2005	None - addressed within current program budget.
<p>9. Improve client service delivery.</p>	√	Ongoing	None - addressed within current program budget.
<p>10. Partner with disability organizations to provide ongoing training for AISH staff.</p>	√	September 2005	None - addressed within current program budget.
<p>11. Improve coordination of supports and services for persons with disabilities.</p>	√	To be determined	To be determined.

### **AISH MLA Review facts:**

When the review was announced in September 2004, a discussion guide and questionnaire were made available containing six ideas for changes to AISH. The guide was sent to all AISH clients, many disability organizations and was also available to the public online.

Two public meetings were held to obtain feedback, and written submissions were also welcomed. Over 18,000 questionnaires and 130 written submissions were submitted, and almost 500 people participated in the public meetings.

The report and recommendations submitted to the Minister were prepared by the MLA AISH Review Committee led by Rob Lougheed, MLA for Strathcona, and included Alana DeLong, MLA for Calgary-Bow and Dr. Neil Brown, MLA for Calgary Nose-Hill.

### **AISH program facts:**

The Assured Income for the Severely Handicapped (AISH) program was established in 1979 to help meet the needs of severely disabled Albertans who could not work to support themselves. Currently, there are approximately 32,000 AISH clients.

The 2004-05 budget for the AISH program is \$394 million.

In addition to the cash benefit, AISH clients receive a comprehensive health benefit worth \$300 per month, on average. This benefit includes:

- Premium-free Alberta Health Care Insurance
- Alberta Aids to Daily Living co-pay fees
- Dental care
- Emergency ambulance services
- Prescription drugs
- Essential diabetic supplies
- Eye care

AISH applicants must have a permanent disability that severely limits their ability to earn a living and must meet income and asset eligibility requirements. The level of the financial benefit depends on the type and amount of other income the applicant and his/her spouse or cohabiting partner earn.

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