

SUPPLEMENTAL HEALTH BENEFITS PROGRAM

- MOTION -

Mr. Speaker, I'm making this motion today because I believe that Cabinet and the Minister of Health and Social Services are making a mistake. A mistake that will adversely affect all northern residents. A mistake that will cost this government both directly and indirectly. Fortunately, it's a mistake that can be easily remedied.

Let's go back a bit and talk about why Cabinet and the Minister are going in the direction they are going with respect to the Supplementary Health Benefits Programs:

Low income families who do not have any medical coverage through their employer don't currently have access to supplemental health benefits other than coverage for specified medical conditions. This means they are 100% on the hook for all dental costs, all the costs related to purchasing glasses, and all costs related to prescribed medications, excluding medications required for specified medical conditions (such as diabetes). Given that these individuals are low income earners they are the individual who would benefit most from support in this area. To their credit Cabinet was and is trying to help these individuals. That's why they are forcing this short sighted and inadequately researched policy down the throats of Northerners. I agree that we must find a way to help these individuals. I

don't agree that it should be done at the expense of other stakeholders in the NWT.

Within our system of Government Cabinet has the right to design and implement policy, programs and regulations. They aren't required to request legislature approval to do so and aren't even required to share them if they don't wish to. Fortunately, most programs, policy and or regulations changes won't adversely affect residents of the NWT and bring them to the legislature for approval and debate isn't necessary. In fact, it could be considered a waste of time. However, from time to time these types of changes can be significant and have major ramifications on the GNWT and the NWT as a whole. The changes currently in question fall into this category.

When designing or re-designing programs, policies or regulations that will have major ramifications Cabinet should demonstrate a standard of care which involves actively engaging regular members and other stakeholders who may be affected by the changes. This is a public government and we have a responsibility to listen to and engage our residents in meaningful consultation.

Further, information and facts are required to make responsible decisions. Decisions made in the absence of information or facts are bad decisions. In the case of changes to the Supplemental Health Benefits Program a

significant amount of information and facts are required in order to make a responsible and informed decision. Unfortunately, it's clear that the Minister and Cabinet did not gather the required information or facts. They don't have a clue of the ramifications of implementing this new policy.

How do I know? I and many other members have continually asked for the information. How much do they think they will save by cutting off seniors and individuals with chronic conditions? How much will it cost the NWT when affected residents choose to leave the NWT? Not just by way of the \$22,000 Federal Transfer Payments but also loss in the taxes they pay, the money they spend on goods and services and the non-monetary benefits they provide by way of volunteering. Also, how much will it cost, based on the inadequately low threshold levels put forward by Health and Social Services, to cover the low income earners without health benefits?

Cabinet can't, or won't, answer any of these questions. I don't believe the analysis was done. How can they feel confident that they have demonstrated a reasonable standard of care or due diligence if they can't even answer these important questions.

Here's what should have happened.

It's clear that this government needs to do something to help the low income families and individuals who have no medical coverage through their employer.

The Department should have researched the issue, prepared cost analysis, defined where problems exist and what potential challenges may exist to provide this coverage.

Once collected the Department should have engaged potentially affected stakeholder in meaningful consultation where the information is shared and stakeholders are encouraged to offer recommendations and participate in the process of developing a reasonable program. If the information had been shared and affected stakeholders had been actively engaged they might have been willing to make compromises in the best interest of program as opposed to being confused or resistant to change due to lack of real involvement and understanding.

Next, a draft policy should have been developed for consideration and review by the Regular members and the potentially affected stakeholders. This would have ensured that these individuals had the opportunity to confirm or verify that their points of view had been heard and incorporated. It also would have provided the Department with an opportunity to explain decisions they made that are different than what some stakeholders wanted to see.

Once general agreement or consensus on the new program is reached a comprehensive communications and implementation plan would need to be designed and put in place. Adequate time is required to ensure that all affected residents have time required to be made aware of the program, complete paperwork or applications where appropriate, and ensure that all their “I’s” are dotted and “t’s” are crossed before implementation to ensure no disruption in services.

This is a reasonable process. It’s completely different than what happened.

Here’s what did happen.

Cabinet decided to update the Supplementary Health Benefits Program to include coverage for low income earners not covered by employer medical benefits.

They told the Department that they weren’t willing to spend more than was currently allocated to the programs so they must fund any changes from within. No research or financial analysis was conducted. The Department designed the proposed program and took it to potentially affected stakeholders for consultation. Unfortunately it wasn’t really

consultation. It was more of an information session where the stakeholders were told what was going to happen. Not asked for input or to make any suggestions.

To be clear, consultation is a process by which the public's input on matters affecting them is sought. It's main goal is to improve the efficiency, transparency and public involvement in projects, laws and policies. It's a valuable process when making significant changes to any policy that may or may not adversely affect large groups. Or, in this case ultimately all residents of the NWT.

It's clear that Cabinet and the Minister don't understand what consultation is. The Minister is adamant that they have conducted consultation. She's indicated it several times in the press and to regular members of this assembly. I've talked to a number of the groups that the Minister claims to have consulted with. All indicate that they weren't consulted. Rather they were told what the Department was going to do, when they were going to do it and how they were going to do it. They attended information sessions veiled as consultation.

So, after the Department completed the design of the program the Minister announced that the program was being implemented on April 1, 2009. Here's where things got interesting.

Residents were stunned, shocked and disgusted with this short sighted program.

Honestly, I'm not even remotely surprised. It's an incredibly bad program that fails to meet the needs of a significant number of northern and by default adversely affects everybody in the NWT. Further, The threshold levels established for low income families are so low that people originally targeted for assistance won't be eligible. To fund it, Cabinet choose to cut off a significant number of seniors and individuals with chronic conditions who will choose to leave the NWT rather than experience the significant increase to their cost of living. This will result in a significant loss of revenue for the GNWT. Also, the changes will drive residents into hospitals where medications and services are free as opposed to going through treatment in their homes. This will increase the costs of the NWT Health Care system which will adversely affect every resident of the NWT. Our health care system is already too expensive. Can we really afford to make it more expensive. I don't think so.

Since implementation I have heard from hundreds of people on this issue. Not one person is pleased.

- The City of Yellowknife passed a motion that City Council directed the Mayor to write to the Minister of Health and Social Services to express the Councils opposition to the changes to the Supplementary

Health Benefits Programs and urge her to cancel the implementation of the new program.

- Petitions were filed in this house earlier today with thousands of signatures. Signatures of people who are 100% opposed to the implementation of the new Program.
- On resident of the NWT sent an e-mail where she indicated the following:

“One of the goals of the 16th Assembly is “Health, educated people” and one of the priorities for the goal states: “improve support for children and adults with special needs and disabilities”.

[She] is a long time resident with 1 chronic physical and 2 chronic medical disabilities and [has] been on CPP disability pension for almost five years. She has supplemented her disability pension with RRSPs, RRIFs and savings. She pays her own dental bills and eye glasses. However, she does receive 100% coverage for prescription medications for her chronic health disabilities.

Now, based on the new program she will not qualify for any of her prescription medications as she is single, under 65 years of age and

had a net income of over \$25,000 last year. She feels that this new policy does not support this legislature's priority of improving support for children and adults with special needs and disabilities.

I agree with this resident of the NWT.

- Another Resident made the following comment and asked the following questions:

The questions just seem to come and the answers don't seem to be there. Anything new can be scary at first and I understand that but is the territorial government really ready for this? Have they thought it through? Who is going to fall through the cracks or no longer fit the criteria? What are they suppose to do? Who is the program really aimed at? Does something need to be developed separately to assist those who need it instead of changing something so quickly and without consultation?

- Given the massive number of comments and concerns raised I could keep quoting residents all day. I will quote from one last resident before I move on with my comments. This senior made the following comments:
- *This was not a "consensus" decision by the legislative assembly, nor is it "the will of the people of the NWT" but instead is the result of behind-closed-doors decision by the Handley cabinet and senior bureaucrats.*

- *This policy betrays seniors who helped build the NWT and communities such as Yellowknife and Hay River but are now being left to fend for themselves.*
- *It is a betrayal of households such as ours that pay higher taxes because of our earnings yet are to be cheated out of the very benefits that our labour has helped make possible for more than two decades.*
- *This will likely force families such as ours to move south. The cost of living and municipal and territorial taxes continually rise but yet the level of services/benefits that we receive continue to decrease.*
- *This decision will also force us to rethink how much money we donate to charities. If we have to prepare financially for the possibility of expensive drug regimes, we cannot afford to give money away to the organizations that we now support: the YWCA, the Yellowknife Food Bank, the Salvation Army, the Centre for Northern Families, the NWT SPCA and the myriad of other sports, environmental, arts and cultural organizations that are always fundraising. Has the GNWT calculated the potential impact to its budget if all people in the NWT who support charities are forced to do the same?*
- *The same holds true about the time we volunteer which, in our household, is at least 10 hours per week. Instead of giving our time and energy to the community, we may be forced to invest in more work to save more money for the very real possibility of catastrophic drug costs. Again, has the GNWT calculated the potential impact to its budget if people in the NWT withdraw their volunteer services?*

These are all good questions that deserve answers.

It's clear. After listening to the people of the NWT it is obvious that there is nothing good or worth salvaging in the program as presented. It's time to go back to the drawing board.

In a recent press release the Minister responsible for Health and Social Services indicated that it is clear that some elements of the proposed program might create undue hardship for some Northerners. This is a bit of an understatement and is evidence that she and Cabinet have not considered the full ramifications including increased costs to the health system and loss of revenues. It's good that she acknowledges that the proposed program will adversely affect some residents but does not demonstrate an understanding of the magnitude of the potential problems.

In response to these "undue hardships" the Minister has agreed to defer the implementation date of the program. To address the concerns of the public the Minister indicated in her press release that "the program design will be reviewed before the program is implemented". Unfortunately, Cabinet and the Minister are still committed to means testing and continue to demonstrate that although some minor modification will be included the policy is pretty much going to move forward as is and be implemented on September 1, 2009. I perceive this direction as more of a delay tactic than actually trying to do the right thing for the people of the NWT.

Means testing for healthcare is wrong and should be avoided. Cabinet is committed to means testing most if not all programs offered by the GNWT. This is a bad decision. As bad or worse than previous decisions they have made such as rolling the public housing subsidy program into ECE where it has resulted in huge deficits in the local housing authorities. History has shown that when a bad decision is made the Cabinet would rather keep the blinders on and request more time. The right thing to do would be to acknowledge the mistake and fix it. So, in this case, a year or two down the road when health care costs go up and our revenues have fallen off directly they'll say everything is alright and that their uninformed and short sighted direction is not to blame.

Means testing might work in some program areas but the provision of Supplementary Health Benefits is not one of them.

So, although I'm happy that the Minister has deferred implementation I don't see it fixing the real problems. It is no more than a delay tactic. It's an attempt to fix a significantly re-designed program on the fly rather than acknowledging poor Cabinet direction and sending it back for a complete review, analysis and suitable design.

September 1, 2009 does not allow the Department of Health and Social Services to follow a reasonable and responsible timeline in order to get the

inclusion of service for low income earners or design a fair and equitable system with public input and consultation.

Let's breakdown the timeline.

We all not that very little will be done over the next 6 weeks on this policy due to session. Immediately after session many northerners will be going on spring break. So, it's safe to assume that very little can be done by way of public consultation until the beginning of April. So, in April they will begin their version of public consultation. You would hope that they have done some financial forecasting and conducted research into the affects of different options and how similar services are provided in other jurisdictions. However, I'm not optimistic that this will have happened by this time. Real public consultation will take a couple of months. Conceivably, given their timeline they might have the consultation done by May. So, design will have to take place over the summer. Given the number of people who take advantage of summer for holidays I don't really believe that it will be given the attention it deserves over the summer months. So, summer is over and they implement what they have designed. To implement a program of this magnitude you need a couple of months to communicate the changes and ensure that all affected residents complete the paperwork required to ensure no gap in services. This means that the program should be complete by July 1 at the earliest.

That's not much time. No matter how you look at it a comprehensive review, analysis, consultation, re-design, acceptance and implementation cannot be done in the time given. So, it suggests that some steps will be skipped completely or paid no more than lip service. We're going to get the same program we have now with a few high profile yet not substantive changes. It's a delay tactic.

If they move forward with the date proposed the regular members of this house won't have the opportunity to discuss and debate it in this assembly as it will be implemented prior to the next significant session. Yes, there is a 7 day session starting in the end of May but there is no way that there will be a reasonable product to discuss or debate. It's hard to believe that they will even have complete any real or thoughtful consultations with potentially affected stakeholders by then. Our next substantive session will begin around the middle of October. One and a half months after the new program has been implemented. As indicated previously, once Cabinet makes a decision, they don't go back and reverse it. So, we'll be stuck with a bad program.

The right thing to do is for Cabinet and the Minister to start again. Completely withdraw the proposed program and timelines and start again with the development of a new Policy and Program to cover low income families who do not have supplementary health benefits coverage through their employer. A program where the implementation does not lead to significant losses in services to other groups.

Develop it based on a reasonable and realistic timeline. April 1, 2010 is a date which will allow proper research, consultation, design, debate and ensure adequate time to promote the new program and implement it.

It's the right thing to do.

You know, it's interesting. Prior to the last session the Government released documents on revenue options. Based on the information contained within those documents it was clear and obvious that one of the best ways to increase our revenues and ensure that this Territory has the financial resources to provide the services to our people is to increase the population. Cabinet stressed that we as a Government and a Territory need to do things to encourage people to come and live in the NWT and for those already living here to stay.

Now, we're telling many people (Seniors and individuals with Chronic conditions) that we don't want to do what is required to encourage them to stay. This is a complete reversal from what Cabinet was saying only a few short months ago and doesn't make any sense. We have people leaving such as diamond polishers because they don't have work. Can we afford to chase people out who really want to be here? People who call the NWT their home. People who have lived here all their lives. I don't think so.

Prior to the mid 1980s seniors and people with Chronic conditions didn't stay in the NWT. They left. At that time Northerners (seniors and the NWT Council for persons with Disabilities) championed for change. They made a their case and these fantastic Supplemental Health Benefits that we currently provide were established. Now Cabinet is telling these people that they don't deserve the levels of support that they currently have. Supports that they believed would exist when they were planning for retirement in the North. Programs that made it possible for seniors on fixed incomes and individuals with Chronic conditions to stay and live in the NWT.

It's time to reject this direction and re-apply common sense and good judgement. It's time to work in the best interest of Northern residents. It's time to do the right thing. This motion encourages Cabinet and the Minister of Health and Social Services to do the right thing. I hope they are listening to us and the public and I hope they choose to do the right thing. Go back to the drawing board. Start again.

Thank you Mr. Speaker.

