

# Poverty

Poverty among older adults is a social and fiscal problem associated with economic vulnerability. <sup>(5)</sup> Canada uses low-income cut-offs (LICO) as an indicator for economic vulnerability. <sup>(2)</sup> Low-income seniors tend to be not only “income poor” but also “asset poor.” <sup>(3)</sup>

## Why is it important?

- Poverty among older adults in Canada is around 6.7% <sup>(5)</sup>
- Poverty is associated with increases in cardiovascular disease, diabetes, mental illness, some cancers, hypertension, arthritis, COPD, and multiple chronic conditions

## Common Causes

- Single individuals are 4 times more likely to be poor than individuals living in families <sup>(1)</sup>
- Older women tend to have lower incomes because wages were inferior when employed and since, on average, they live longer they are at greater risk of using up savings <sup>(2)</sup>
- Women who are divorced have lower retirement incomes than single women or widows because most do not claim a portion of former spouse’s pension <sup>(2)</sup>
- Disabled seniors, Aboriginals, recent immigrants, and those who have worked less than 10 years are also at risk of poverty <sup>(2) (3)</sup>

## Key Considerations

- Income inequality among seniors is growing: since many seniors live on fixed incomes right above the poverty threshold, a small change in expenses or income can have a large impact on poverty rates and quality of life <sup>(1)</sup>
- Low-income seniors spend close to 60 % of their expenditures on food and housing, transportation and health-related costs <sup>(3)</sup>
- Personal income taxes and government transfers (such as social assistance and Old Age Security), Guaranteed Income Supplement payments and pension plans have helped to reduce elderly poverty <sup>(5)</sup>

## Address poverty in primary care: <sup>(4)</sup>

- Screen: screen everyone, “do you have difficulty making ends meet at the end of the month?”
- Adjust risk: poverty is associated with increases in cardiovascular disease, diabetes, mental illness, some cancers, hypertension, arthritis, COPD, and multiple chronic conditions
- Intervene: **ask the important questions**
  - Do you receive Old Age Security and Guaranteed Income Supplement?
  - Have you filled out and mailed your tax forms? (tax returns are essential to access many income security benefits e.g. GST / HST credits, working income tax benefits, property tax credits and drug coverage forms such as Extended Health Benefits or Trillium for those without Ontario Drug Benefits)
  - Do you receive payments for disability? (Eight major disability programs: ODSP, CPP Disability, EI, Disability Tax Credit, Veterans benefits, WSIB, Employers’ long term protection, Registered Disability Savings Plan)
  - Are you status Indian? (First Nations with the Status designation may qualify for Non-Insured Health Benefits through the federal government. These pay for drugs and other extended health benefits not covered by provincial plans)
  - Have you applied for extra income supplements?
  - Mandatory Special Necessities Benefits (MDs bill K054 for \$25): Medical supplies and health related transportation (includes e.g. AA, psychotherapy)
  - Limitation to Participation (MDs bill K053 for \$15): Disability can exclude a recipient from mandatory job search and training programs.
  - Special Diet Allowance (MDs bill K055 for \$20): some health conditions will qualify a recipient for extra income.
  - Other benefits available: Employment supports, Drug & Dental, Vision, Hearing, ADP Co-payment,
  - Community Start Up & Maintenance, Women in Transition/Interval Houses, Advanced age allowance, Community Participation (\$100 per month extra for volunteering).
  - “Discretionary Benefits.” Applications and benefits available through a patient’s OW/ODSP worker

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## References

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