

**For information
on 8 June 2006**

LEGCO PANEL ON WELFARE SERVICES

Assistance to elderly not receiving CSSA

PURPOSE

This paper briefs Members on the social security assistance and other forms of assistance which together form a safety net for elders in Hong Kong.

OVERVIEW

2. The Government is providing both non-contributory financial assistance and a range of highly subsidized services for elders. Government's revised expenditure on elders in the areas of social security, elderly services and healthcare was about \$29 billion in 2005-06, of which:

- (a) about \$12.6 billion was spent on providing elders with the Comprehensive Social Security Assistance (CSSA), Old Age Allowance (OAA) and Disability Allowance (DA) under the Social Security Allowance (SSA) Scheme;
- (b) about \$3 billion was spent on providing elders with various types of home-based and centre-based community care and support services, and subsidized residential care services; and
- (c) about \$13.4 billion was spent on providing health care to elders.

3. An overview of these assistance and services, and the number of beneficiaries, are as below:

- (a) as at the end of 2005, 91% of the elders aged 70 or above (i.e. 549 408 recipients) receive public financial assistance either in the form of

the means-tested CSSA, the largely non-means-tested OAA or totally non-means-tested DA. The figure for those aged 65 or above is 80% (i.e. 677 348 recipients);

- (b) more than 60% of the elders live in subsidized housing, including public rental housing and purchased flats under the Home Ownership Scheme (HOS);
- (c) 49% of bed days in public hospitals are taken up by elderly aged 65 or above, with free medical services provided to those on CSSA and fee waiver granted to those with financial difficulties;
- (d) over 20 000 elders ageing in the community are enjoying non-means-tested subsidized home-based or centre-based community care and support services; and
- (e) about 90% of the elders residing in residential care homes for the elderly (RCHEs) are receiving Government subsidy either through non means-tested direct subsidy (26 980) or CSSA (22 000).

FINANCIAL ASSISTANCE

CSSA Scheme

4. The CSSA Scheme, whilst seeking to meet the basic needs of those who cannot support themselves financially, takes special care of the elderly, through the provision of higher standard rates, special grants and supplements, including glasses, dentures, removal expenses, fares to hospital/clinic, medically recommended diets and appliances, an annual long term supplement, and a burial grant. At the end of April 2006, 186 938 elders aged 60 or above were on CSSA. The corresponding government expenditure in 2005-06 was \$8.1 billion.

OAA

5. The OAA is a cash allowance given to eligible elders of 65 or above to meet their special needs arising from old age. The OAA is a non-contributory and largely non-means-tested scheme funded by general revenue.

6. Applicants aged between 65-69 are subject to an income and assets limit, while applicants aged 70 or above are not subject to any means test.

Elders aged 65-69 can receive a monthly allowance of \$625 while elders aged 70 or above can receive a monthly allowance of \$705.

7. Since 1 October 2005, the Administration has relaxed the absence limit of the Scheme from 180 days to 240 days per year, subject to the continual requirement that recipients have to have resided in Hong Kong for at least 90 days in the year.

8. At the end of April 2006, there were 460 901 elders on OAA (i.e. 54% of the total population of elders aged 65 or above) and the government expenditure in 2005-06 was \$3.7 billion.

DA

9. DA includes Normal Disability Allowance (NDA) and Higher Disability Allowance (HDA). The allowance is non-contributory and non-means tested. It is designed to provide an allowance to Hong Kong residents who are severely disabled to meet the special needs arising from disability.

10. At the end of April 2006, there were 113 173 recipients of DA, of which 52 484 were aged 65 or above. Recipients of NDA receive a monthly allowance of \$1,125 while those of HDA receive \$2,250. In 2005-06, the revised estimate on DA was \$1.64 billion, of which \$0.8 billion was spent on elders aged 65 or above.

OTHER FORMS OF ASSISTANCE

Meeting the psycho-social needs of elders

11. There are more than 200 elderly centres which provide a wide range of services and activities to cater for the psycho-social and developmental needs of elders and their carers, with a view to widening elders' social network and facilitating them to integrate into the community. Services of elderly centres include educational and developmental groups, outreaching programmes, counseling service and case management, social and recreational activities, talks and classes, referrals for appropriate services, volunteer development and carers support services. At present, over 170 000 elders are members of the elderly centres. Government subvention in 2005-06 on elderly centres was about \$353 million.

12. The Support Teams for the Elderly (STEs) attached to District Elderly Community Centres (DECC) mobilize volunteers to render outreaching services to vulnerable elders and provide them with care, personal assistance, counseling and support services. At present, the STEs are serving about 60 000 elders, of which about 30 000 are singletons.

13. The Social Welfare Department (SWD) subsidizes elders who are recipients of CSSA, and non-CSSA elders who have financial difficulties, to install emergency alarm system at their domestic homes. Operators of emergency alarm systems deploy volunteers to ring up elderly service subscribers, in particular singleton elderly, from time to time to show care and support. At present, about 53 000 elders are using the emergency alarm service. Many of them are singletons.

Subsidised community care and support services for elders ageing in the community

General Home Based Services

14. Because of old age, some of the elders who age in the community may require assistance in their daily living, even though they may not have long term care (LTC) needs. Through the 60 Integrated Home Care Services (IHCS) Teams operated by subvented non-government organizations (NGOs), we provide these elders with meal delivery, household cleaning and escort services (known as IHCS (Ordinary Cases)). Elders who use the services do not have to go through the Standardized Care Needs Assessment. About 18 000 elders are users of IHCS (Ordinary Cases). About 74% of them are paying the lowest rate on the charging scale.

15. The Financial Secretary has earmarked \$20 million recurrent funding in 2006-07 for SWD to strengthen home care services for the elderly. SWD will make use of the additional resources to increase the capacity of the meal delivery, household cleaning and escort services for elders in general.

Home-based Services for Frail Elders

16. Home-based community care services for elders with LTC needs include personal care, nursing care, physiotherapy, meal delivery, household cleaning and escort. They are provided by IHCS Teams (known as IHCS (Frail Cases)) and the Enhanced Home and Community Care Services (EHCCS) Teams. More than 3 000 frail elders are using the services (they are in addition to the 18 000 elderly users of IHCS (Ordinary Cases) mentioned in

paragraph 14 above). About 64% of them are paying the lowest rate on the charging scale.

17. The charging scales for the home care services for elders as mentioned in paragraphs 14 and 16 above are as follows:

Income level		CSSA level or below	Between CSSA to 1.5 CSSA	Above 1.5 CSSA level
Meal delivery		\$12.6 per meal	\$15.4 per meal	\$18.6 per meal
Laundry	Light	\$0.7 per item		
	Medium	\$0.9 per item		
	Heavy	\$1.8 per item		
Direct care, household cleaning and escort services		\$5.4 per hour	\$11.7 per hour	\$19 per hour

18. A CSSA elder on average pays about \$240 - \$340 for the home-based services for frail elders in a month.

Day Care Centres / Units

19. There are 50 subsidized day care centres/units for the elderly, providing 1 955 subsidized day care places for elders who have LTC needs and are ageing in the community.

20. The revised government expenditure in 2005-06 on home-based and centre-based community care and support services for frail and non-frail elders (excluding the expenditure on elderly centres) was around \$650 million.

Respite Services and Carers’ Support

21. Elders ageing at home and require care during the absence of their carers (e.g. carers taking a break) may receive respite care at subvented RCHes (for those staying overnight) or at day care centres/units (for those not staying overnight). Both are heavily subsidised and are charged on a daily basis. Also, more than 150 District Elderly Community Centres and Neighbourhood Elderly Centres provide support services for carers, which include counseling, emotional support, resource centres, training, seminars, activities, carers’ groups, and lending of rehabilitation equipment.

Subsidized residential care services for the elders

22. We also provide highly subsidized residential care services for elders who have LTC needs and cannot be adequately taken care of at home. Elders applying for subsidized residential care services are not means-tested but have to go through the Standardised Care Needs Assessment test.

23. Currently, there are more than 26 000 subsidized residential care places. Elders staying in the subsidized residential care places only have to pay a monthly fee which is around 20% of the actual unit cost, whereas the remaining 80% is paid by the Government. Those who have financial difficulties can apply for the CSSA to cover the home fees. The revised government expenditure on subsidised residential care places in 2005-06 was \$2 billion.

24. In addition, another 22 000 elders are living in non-subsidized RCHE places by means of CSSA. As such, about 48 000 elders, which accounts for 90% of the elderly RCHE residents, are receiving Government subsidy to live in RCHEs.

Health Care Services

25. In 2005-06, expenditure on public health care services for elders provided through the Hospital Authority (HA) and the Department of Health was about \$13.4 billion. Services to the elderly accounted for about 45.8% of the cost of services of the HA. Elders aged 65 or above take up about 49% of the total bed days in public hospitals.

26. Under the current medical fee waiver mechanism, patients who are recipients of CSSA can obtain free medical treatment at public hospitals and clinics. Non-CSSA patients who have difficulties in paying the medical fees can apply for a one-off medical fee waiver or a waiver covering a maximum of 12 months. The waiver is applicable not only at the hospital/clinic which issues it, but also at all other hospitals/clinics providing similar services under the Hospital Authority or the Department of Health. Also, patients who have difficulties in paying for drugs outside the Standard Drug Formulary may seek financial assistance under the Samaritan Fund. All these apply to elderly patients.

Housing

27. At present, more than 60% of the elders are living in Government subsidised housing, including public rental housing and purchased flats under HOS. The Housing Authority accords priority to elders in the allocation of public housing units, and allow elders to choose public housing units in the urban areas, extended urban areas and the New Territories, with a view to meeting the housing needs of elders as far as possible.

28. The number of households with elderly members on the waiting list for public housing units has decreased from about 16 000 in 1997 to around 5 400. The waiting time for elders applying for public housing has decreased from about 4½ years in 1997 to less than one year.

Transportation

29. The public transport operators including franchised bus companies, railway companies, Hongkong Tramways, individual green minibus and ferry operators have been offering half fare concessions or discounts at similar rate to the elders. Individual public transport operators are also implementing other forms of fare reductions to the elders. For example, elders can travel on the specified routes of four franchised bus companies at \$2 flat fare or half fare, whichever is lower, on Sundays and public holidays since 28 January 2006. This fare reduction initiative will be reviewed in three years' time.

ADVICE SOUGHT

30. Members are invited to note the contents of the paper.

**Health, Welfare and Food Bureau
Social Welfare Department
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