

**For information
on 14 November 2005**

LEGCO PANEL ON WELFARE SERVICES

Review of the Disability Allowance under the Social Security Allowance Scheme

PURPOSE

This paper informs Members of the application and operational procedures of the Disability Allowance under the Social Security Allowance Scheme (SSA Scheme).

BACKGROUND

2. Disability Allowance (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.

3. At the end of September 2005, there are 111 700 recipients of DA, of which 97 330 are recipients of NDA and 14 370 are recipients of HDA. Recipients of NDA receive a monthly allowance of \$1,120 while those of HDA receive \$2,240. In 2005-06, government expenditure on DA is \$1.68 billion, accounting for 0.8% of the total government recurrent expenditure.

ELIGIBILITY CRITERIA

4. A person is eligible for NDA under the SSA Scheme if he/she :
- (a) satisfies the following residence requirements :

- (i) he/she must have been a Hong Kong resident for at least seven years; and
 - (ii) he/she must have resided in Hong Kong continuously for at least one year immediately before the date of application (absence from Hong Kong up to a maximum of 56 days during the one-year period is treated as residence in Hong Kong)¹.
- (b) continues to reside in Hong Kong;
 - (c) is certified to be severely disabled within the meaning of the Scheme and that his/her disabling condition will persist for at least six months, and if his/her disabling condition is certified by a public medical officer to be in a position broadly equivalent to a person with a 100% loss of earning capacity according to the criteria in the First Schedule of the Employees' Compensation Ordinance (Cap 282);
 - (d) is not in receipt of any other allowance under the Scheme or assistance under the Comprehensive Social Security Assistance Scheme; and
 - (e) is not under detention or imprisonment.

5. To be eligible for HDA, in addition to meeting the eligibility criteria for NDA, the person :

- (a) must be certified by the Director of Health or the Chief Executive of the Hospital Authority (the HA) to be in need of constant attendance from others in his/her daily life; and
- (b) must not be receiving care in a government or subvented residential institution.

6. To ensure consistency and objectivity in the medical assessment, a medical officer will make his recommendations to the SWD with the aid of a standardized "Medical Assessment Form" and a professional check list. The "Medical Assessment Form" sets out the eligibility criteria for DA, and the

¹ Persons who have become Hong Kong residents before 1 January 2004 are exempted from the residence requirement in (a)(i) above and 'Hong Kong residents aged below 18 applying for DA are exempted from the residence requirements in (a)(i) and (a)(ii) above.

professional checklist is formulated by Hospital Authority and Department of Health for assessing disability. Medical officers will assess the degree of disability of DA applicants in accordance with the established criteria and guidelines as well as their professional knowledge and judgment. Applicants may appeal to the Social Security Appeal Board (SSAB) if they are not satisfied with SWD's decision on their application. The Board is composed of 7 non-officials appointed by the Chief Executive.

APPLICATION AND OPERATIONAL PROCEDURES

Application

7. The applicant or his/her relative/friend can make an application directly to a social security field unit near his/her place of residence. An application may also be made through a referral to the Social Welfare Department by another government department or non-governmental organization. The applicant can also download the application form from the SWD homepage and return the completed application form, together with photocopies of relevant supporting documents, to the social security field unit. Once an application is received, an officer of the Social Welfare Department will make arrangements for an interview with the applicant. After completion of the investigation, a formal notification letter will be sent to the applicant. In order to speed up the process of an application, an applicant or his/her guardian/appointee is encouraged to produce any previous hospitalization records or hospital/clinic attendance cards to facilitate the arrangement of a medical assessment.

Approval

8. In handling each HDA application and reviews, the SWD explains the eligibility criteria to the applicant, and determines the application on the basis of the information provided by the applicant as to whether or not he/she is living at home or has been admitted to a government or subvented residential institution. The applicant is also required to report to the SWD immediately any change in his/her circumstances, including admission to an institution.

Review

9. The purpose of a case review is to establish a recipient's continued eligibility and to identify changes in circumstances that might affect the payment of allowance. A fresh medical assessment will be arranged by SWD for cases where the recipient's severe disability has been certified previously by the

medical practitioners to last for a specified temporary period. Normally, no review is required for a NDA case where the recipient has been certified to be permanently disabled. A HDA case where the recipient has been certified to be permanently disabled is reviewed once every three years. Those DA recipients who have not been certified to be permanently disabled are to be reviewed according to the validity period of the latest medical assessment.

Appeal

10. If an applicant disagrees with SWD’s decision of refusal of DA payment based on the result of a medical assessment, he/she has the right to lodge an appeal with the SSAB.

11. An appeal must be lodged within four weeks immediately following the date of notification of the decision from the Director of Social Welfare. The SSAB will arrange with the HA for the applicant to undergo a medical re-assessment to be processed by an independent medical assessment board.

CASES OF OVERPAYMENT

12. Over the past four years, the overpayment cases of HDA arising from the applicants’ admission to residential institutions and hospitals and the amount of overpayment involved account for about 1.1% of the total number of DA cases and 0.2% of the total DA expenditure on average. The SWD has already worked out repayment arrangements, including repayment by installments, with the majority of applicants for recovering the overpayments. Data on overpaid allowance during the past four years are as follows :

Year	Cases involving admission to residential institutions*		Cases involving admission to hospitals	
	Number of cases	Amount overpaid in million (\$)	Number of cases	Amount overpaid in million (\$)
2001 - 02	239	1.7	641	1.9
2002 - 03	282	2.6	904	2.7
2003 - 04	204	1.4	969	2.2
2004 - 05	249	1.4	1 260	2.5

* The records available in the Computerised Social Security System of the SWD cannot provide the number of overpayment cases by different types of institutions, such as school dormitories or serviced hostels. It can only provide information on two major types of cases involving applicants’ admission to residential institutions or hospitals.

MANAGEMENT OF OVERPAYMENT CASES

13. Under the existing self-declaration system for making DA applications, the SWD is unable to preclude every possibility of omission of reporting changes and the provision of incorrect information by the applicants. When handling overpayment cases, SWD staff will find out the reasons leading to overpayment and discuss with the applicant to agree on a reasonable repayment plan. The requirement that applicants admitted to government or subvented residential institutions or hospitals for residential care are only entitled to receive NDA is meant to prevent double benefits. As a matter of policy, SWD will seek to recover the overpaid amount when cases of overpayment come to light in order to safeguard public funds.

CONCLUSION

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

**Health, Welfare and Food Bureau
Social Welfare Department
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