

Supporting Healthy Lives for Accident Victims

GOAL

All accident victims have access to the health and income benefits they need to recover

Ontario's Accident Compensation System Falls Short

If you are injured in an accident in Ontario, you may face barriers in getting the supports you need. This is because the mix of private and public programs and insurance leads to variation in what you get depending on your income, employment, and how or where you were injured. Our patchwork of coverage falls short of what many people need. We need a review of income and health benefits so that we can build a fair and adequate system.

Confusing and Inadequate Patchwork of Supports

Accidents are common. There are several separate systems that compensate and support people after an accident. These are: Workplace Safety and Insurance Board (WSIB), Employment Insurance (EI) Sick Benefits, Canada Pension Plan Disability Benefit (CCP-D), private insurance, and civil action through the court system. People who don't receive these benefits or exhaust them, and can no longer work because of their injuries, can end up on the Ontario Disability Support Program (ODSP) which leaves them in deep poverty. For example, as of April 2018, what a single person on ODSP received translates to an hourly wage of about \$8.50, far below the minimum wage.

Access to each program depends on how and where the injury occurred, personal income level, and employment status. As a result, two people with the same level of injury and need could receive very different levels of income and health supports. For example, people who have relevant employment benefits or have enough income to take legal action are more likely to receive coverage that promotes a full recovery than someone dependent on CPP-D, because it does not include basic health benefits such as prescription drug coverage.

Available income and health benefits are a complex mix of federal, provincial and private programs and insurance. Navigating these can be confusing and challenging for people who are already dealing with health issues and/or lost earnings. This causes delays in getting necessary supports – and can be a barrier to recovery. People attempting to navigate the benefit system often feel demoralized and unsupported. For example, a Wellesley Institute study on Women Living with Long-Term Disabilities in Ontario indicates that applicants found the process for securing public income and health benefits seldom straightforward and instead found that it lacked clarity and transparency. In addition, applicants described the forms as difficult to work through, with limited information or assistance for guidance.

Administrative delays are frequent, and the application processing time is lengthy. For example, the Disability Adjudication Unit (DAU) can take up to 90 days to process applications. In public programs, individuals often experience long wait-times due to lengthy medical reports, tight timelines, and unaccountable processes. The resulting stress has direct impacts on mental and physical health. For example, research from the Canadian Centre for Addiction and Mental Health indicates that stress resulting from administrative errors and/or delays can interfere with recovery and contribute to ill mental health.

Even people who succeed in receiving benefits from one of these programs are often not covered adequately. For example, WSIB has been the subject of concerns about pressures to return to work as well as unfair processes, and EI payments are capped at 55 percent of weekly earnings and do not include any health benefits. This level of income is not adequate or sufficient enough to support individuals or families, especially those with higher than normal medical expenses.



Ontario's Inadequate Accident Benefits Systems Undermines Health

To recover and be healthy after an accident, people need adequate income and they need suitable health benefits. This includes income when one cannot work, prescription medication, rehabilitation and therapies.

Income is a well-established social determinant of health. People who live on lower incomes tend to have poorer self-rated health, higher prevalence of disease, and decreased life expectancy. But income available after an accident in Ontario is often inadequate. The Injured Workers of Ontario indicate that 1 in 5 workers live in extreme poverty after an injury. For example, over 40 percent report an income of less than \$15,000 annually. For context, according to the thrive framework developed by the Wellesley Institute, individuals need an income of \$46,186 – \$55,432 after tax to thrive in the GTA.

In addition to income, access to health benefits is an essential component of a healthy recovery. Many injuries require follow-up treatment or rehabilitation that are expensive and may last months. Medications and rehabilitation can help reduce long-term injury and prevent the need for costly services such as hospitalizations. However, prescription medication, rehabilitation and therapies are not universally covered by OHIP or private insurance, and many individuals end up paying out of pocket. For example, according to Statistics Canada, in 2009, out-of-pocket health care expenditures represented 5.7% of the total after-tax income of households in the lowest income quintile. These out-of-pocket health expenditures represent a significant cost burden, particularly for those in lower income groups.

Injured people in Ontario often go through a complicated adjustment to life after the accident, and a challenging process of applying for income and health supports. The stress this brings can have significant impacts on health. Advocates and applicants consistently indicate that stress can cause delays in recovery, exacerbate existing health issues, and lead to decreased mental well-being and overall poorer physical health.

A review of Ontario's accident compensation system is needed

If we want to give people the opportunity to live healthy lives and participate in the community, all injuries should be treated equally, and the support people receive should not depend on how or where they were injured, prior income level, or whether they were employed at the time of the accident. Everyone deserves the opportunity to thrive. As a step toward a more fair and universal approach to accident compensation, Ontario needs an independent and comprehensive review of how our current systems are working and not working. At minimum, this should focus on public coverage of the following:

- Income replacement necessary for health;
- All prescription medication, regardless of age;
- All medical treatments;
- Dental benefits;
- The cost of travel to medical appointments (this is important for people living outside large urban centres);
- Therapies such as chiropractic, physiotherapy and rehabilitation.

These benefits promote better recovery, better health, and, where appropriate, return to work. To achieve a truly equitable system, accident victims need equal treatment, and easy and dignified access to coordinated supports that last until complete recovery – or for life if needed – with an emphasis on rehabilitation and reintegration. A jurisdictional scan completed by the Wellesley Institute reveals that comparable jurisdictions offer possible models of accident compensation schemes that provide more comprehensive and equitable coverage after an accident.



Moving towards a universal approach

In Ontario there is a large gap between people who receive adequate income and health benefits after an accident, and those who are plunged into poverty and struggle to access services. Better policy can fix this, and ensure universal access to necessary benefits. An independent review of the current system would be an important first step.

FOR MORE INFORMATION

Wellesley Institute has synthesized existing evidence on accident compensation here:

Wellesley Institute (2016) *Equity in Accident Compensation in Ontario*: <http://www.wellesleyinstitute.com/wp-content/uploads/2016/09/Equity-in-Accident-Compensation-in-Ontario.pdf>.

You may find more information on Women Living with Long-Term Disabilities in Ontario here:

Wellesley Institute (2015) *Women Living with Long-Term Disabilities in Ontario*: <http://www.wellesleyinstitute.com/publications/women-living-with-long-term-disability-in-ontario/>

