New nursing home fee formula 'unacceptable,' says seniors advocate

Coalition for Seniors and Nursing Home Residents Rights opposes government taking any more money

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A seniors advocate says the provincial government's new nursing home fee formula is "unacceptable."

Cecile Cassista, executive director of the Coalition for Seniors and Nursing Home Residents Rights, says her group still opposes getting any more money from seniors — even high-income ones. She predicts the government will have a difficult time selling the new plan. Cassista was responding to Social Development Minister Cathy Rogers unveiling details about the plan during a news conference in Moncton Monday.

Some New Brunswick seniors will be facing substantially increased fees for nursing home care, but not as substantial as first announced, and not right away for some, Rogers revealed. The provincial government is establishing a new cap on nursing home fees of $175 per day, she said.

It's a 55 per cent increase over the current cap of $113 and will raise the annual maximum cost of staying in a nursing home to nearly $64,000, for those the government deems can afford to pay.

The increase is about half what the Gallant government announced in its March 31 budget when Finance Minister Roger Melanson said nursing home care costs, which he put at $233 per day per person, would be subject to no cap at all.

The move was meant to raise money from a limited number of seniors who could afford to pay more for care, but Rogers now says the key element in the calculation — looking at seniors' savings and liquid assets to determine their ability to pay — will not apply to anyone currently in a nursing home.

In addition, Rogers said lower income seniors would see reductions in what they have to pay, further eroding revenue gains from the changes. The higher fees will eventually apply to those seniors who are determined to have high enough incomes, or substantial enough liquid assets to pay.

But Rogers said in those cases the government would exempt from its calculations the first $50,000 in cash or investments held by an individual in care, and $100,000 held by a couple. If seniors sell their homes and put the money in the bank, that cash will also be exempt, she said.

"We know that seniors have worked their whole lives to build financial security and they should not have to lose what they have built in order to get proper nursing care," said Rogers. "Only those who can afford to pay more are being asked to do so," she said. Opposition Leader Bruce Fitch welcomed news cash from home sales will not be grabbed by the government. "It's good that there's been a clarification on the family home and that's something we've been pushing for in the legislature for the last number of weeks," he said.

Seniors coalition rails against higher nursing home costs

Coalition wants to send message to Brian Gallant's government about annual cost of staying in nursing home

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A seniors advocacy group gathered in Moncton on Thursday to oppose the provincial government's plan to raise the annual maximum cost of staying in a nursing home.

The meeting drew more than 100 people on Thursday. "My voice is loud and strong," said Cecile Cassista, the executive director with the Coalition for Seniors and Nursing Home Residents Rights.

"Our message is clear — [the government] needs to move backwards."

The provincial government says it plans to look at seniors' bank accounts and investments when calculating how much they can pay for care. The cost cap will also be raised from $113 to $175. The changes are expected to take effect by the end of March.

Hector Cormier, the past president of the coalition, says he's not the only one who is angered by this decision. "In my case, I'm separated. I live alone. it would probably take all of my pension if it were $113 a day — if it went up to $175 then even a retired teacher couldn't afford that," he said.

Betty Smith, a member of the New Brunswick Society of Retired Teachers, said her members don't mind paying more money. "But when nothing changes and things get worse then what's the point? Where is the money going that the government is going to make?" Smith said.

Former Liberal cabinet minister Michael Murphy was at the meeting. If Gallant doesn't listen to the coalition, Murphy said this issue could be his "political death march." Murphy also says he hopes to change the party's policies from within. Murphy lost the Liberal leadership race to Gallant in 2012.

More Canadians are 65 and over than under age 15, StatsCan says

More than 1 out of every 6 people in Canada over age 64 in July

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For the first time ever, there are now more people in Canada age 65 and over than there are under age 15, according to Statistics Canada.

The data agency said Tuesday that Canada's population sat at 35,851,800 at the start of July, a figure that has increased by 308,100 or 0.9 in the past year. That's the smallest annual increase in 17 years, but still the largest pace of growth seen in any G7 nation.

Much of growth came in the form of people coming from other countries, as migration accounted for 60.8 per cent of the population growth. The rest was natural population growth, as people already in Canada had children.

Canada met a milestone that demographers have seen coming for a long time. In the year ended in July, the population of people 65 and older is now larger than the number of children under 15.

There were 5,780,900 Canadians 65 and older on July 1. That compares to an under-15 population of 5,749,400. In percentage terms, 16.1 per cent of Canadians were in the 65-and-over group in July, with under-15s accounting for just 16 per cent of the population.

The cohort of people 65 and up isn't just large in absolute terms, but their ranks are growing faster than the rest of us, too. The population growth rate for the over-64 set increased by 3.5 per cent during the year, four times faster than the population at large.

If current population trends continue, Statistics Canada estimates that seniors will outnumber children in Canada by a factor of three to two in 20 years' time. (Pete Evans/CBC)

That pace of growth has increased every year since 2011, the data agency said.

But by international standards, Canada's population of 65-and-overs is still relatively small, and lower than any other G7 nation. In Japan, for example, 26 per cent of the population is over age 64.

The bulge of aging baby boomers isn't increasing evenly across Canada, however. Provincially, New Brunswick had the highest proportion of over-64s, at 19 per cent of the province's total population. Conversely, the lowest proportion in Canada was in Nunavut, at 3.7 per cent. Of the provinces, Alberta had the lowest proportion at 11.6 per cent.

'You can't immigrate your way out of a demographic bubble'- Economist Mike Moffatt

Nationally, there were 1.01 seniors for every child in Canada under age 15 in July. The ratio was highest in Nova Scotia at 1.35 and lowest in Nunavut at 0.12.

Across all age groups, four provinces are making up a bigger and bigger share of Canada's total population. In July, 86.3 per cent of people in Canada lived in Ontario, Quebec, British Columbia and Alberta.

That breaks down as follows:

■Ontario, 38.5 per cent.

■Quebec, 23 per cent.

■B.C., 13.1 per cent.

■Alberta, 11.7 per cent.

Ontario is still Canada's most populous province, with 13,792,100 people, Statistics Canada said. Quebec is the second most populated province at 8,263,600 people.

The implications of the demographic rebalancing underway are massive, assistant professor Mike Moffatt of the Richard Ivey School of Business in London, Ont., says. "Immigration helps a little bit on the margins, but overall the aging is going to happen," Moffatt said. "You can't immigrate your way out of a demographic bubble."

The economic impacts of that bubble are already being felt. The number of Canadian women in the workforce into their late 60s has tripled in the last 15 years, Moffatt notes, something that's already changing the makeup of the workforce in other developed countries.

Fortunately, Canada is experiencing the baby boomer bulge comparatively late, so we can learn from the experiences of other countries in how to deal with accompanying problems.

"As the Canadian population gets older, we've got more and more retired people," Moffatt warns. "That puts pressure on the health system and pension system because there's a smaller cohort of working age people to support that."