



Government of Bermuda
Ministry of Youth, Social Development and Seniors

MINISTERIAL STATEMENT

by

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Financial Assistance Amendment Regulations 2025

Friday, 12th September 2025

Mr. Speaker,

I am pleased to rise this morning to lay the “*Financial Assistance Amendment Regulations 2025*” in this Honourable House. The amendments aim to close identified gaps that impact Bermuda’s most vulnerable populations, our seniors and persons with mental health challenges/needs who are clients of the Department of Financial Assistance. The enhancements to the legislation provide further financial and social protection to support these vulnerable populations guaranteeing no one gets left behind.

Mr. Speaker,

The Department of Financial Assistance (DFA) is mandated by the Financial Assistance Act 2001 and the Financial Assistance Regulations 2004, which provides the legal framework for:

- the issuance of financial awards by the Department of Financial Assistance (DFA) to individuals in need; and
- certain expenses to be allowable expenses if they fall within a class of items of expenditure, which DFA would be legally responsible for paying.

Regulations 3(1) of the Financial Assistance Regulations 2004, provides the criteria for eligibility for a financial assistance award or subsequent award (financial assistance) for a person claiming financial assistance during any period.

Mr. Speaker,

The Financial Assistance Regulations 2004, provides a list of sources of income under regulation 2 that are deemed “excluded income”, one of which is defined as income from: (a) pension and other benefits to an amount not exceeding \$500 per calendar month payable under the Contributory Pensions Act 1970 and the Public Service Superannuation Act 1981 other than pensions and benefits payable to persons who are in residential care homes. As a result of this statutory definition when DFA calculates the ‘means test’ to determine a pensioners financial assistance assessment and eligibility, pensions amounting to \$500 or less per month legally cannot be included in the legislative formula/calculation. This ensures seniors can maintain a basic income.

Mr. Speaker, let me share the basis of the amendments. There have been occurrences of DFA awarding proportional reductions in financial assistance awards received by clients who are seniors/pensioners because of the recent periods of pension increases. In practice, this means when DFA conducts a ‘means test’ on these seniors/pensioners and their pension income that exceeds the legislative threshold of \$500 per calendar month must be included as part of the calculation as qualifying household income. This leads to a reduced financial assistance award received by the senior or pensioner on the basis that their household income is being offset by a corresponding decrease. As a result, seniors/pensioners are now being impacted by receiving proportional reductions to their awards or unable to fulfil the eligibility requirements to receive financial assistance.

Mr. Speaker,

Statistics provided by the Department of Social Insurance, over the past 20 years show there were increases to pension amounts payable under the Contributory Pensions Act 1970 and Public Service Superannuation Act 1981 to persons aged 65 and older. The increases to pension payout aim to provide a countermeasure for annual cost-of-living/inflation increases allowing seniors to maintain a degree of financial independence. However, in respect to a senior who is: (a) currently receiving a financial assistance award or (b) applying for an award, the pension increases are reducing awards and does not provide the additional financial support as intended for all pensioners.

Mr. Speaker,

To address this issue the Bill increases the ‘excluded income’ threshold for pensions from “not exceeding \$500 per calendar month”, as currently stated in regulation 2 of the Financial Assistance Regulations 2004 to a threshold amount not exceeding \$800 per calendar month. This proposed amendment would align with the maximum threshold for pensions by the year 2030. Therefore, **Mr. Speaker**, the legislative amendment does come with financial impact on DFA’s budget as there are currently 376 pensioners who will be impacted by this change, presenting a cost to the Department of \$112,920 per month.

Mr. Speaker,

I would like to shift to the second amendment to the Regulations. The Department of Financial Assistance takes a holistic approach to ensuring the physical and mental state of clients, receiving a financial assistance award is paramount. To support the department’s approach recommendations are made to Mid-Atlantic Wellness Institute (MAWI). Alternatively, to bridge a gap in demand for mental health outpatient treatment, clients are referred to a licensed and approved clinician in private practice.

However, **Mr. Speaker**, clients and mental health practitioners have informed DFA that the 6 sessions per year, which is the maximum number of sessions DFA can

legally fund, is not enough to help clients in their quest to address their mental health conditions. Currently, the Regulations allow for clients who are eligible to receive mental health outpatient treatment at a maximum cost of \$840 per year or a maximum of 6 sessions per year.

Mr. Speaker,

We have taken a position to make this amendment based on best standard practice of access to mental health services which takes into consideration frequency, utilization, cost, need and access. We have collected data on the private insurers schedule of benefits for mental health services and there is much variation across private insurers in mental health support, particularly in Bermuda.

What we all can agree on, is that mental health treatment services are needed to provide equitable access to those persons on financial assistance who may be vulnerable, disadvantaged, on a low income and have adverse childhood experiences or experienced stressful or traumatic events.

DFA clients will receive a maximum of twenty-four (24) mental health sessions per year, at a cost of \$840 per month. This amendment will enhance the Regulations to ensure this determination is supported in legislation allowing DFA clients diagnosed with mental health conditions to receive continuous mental health services. Mental health support is not a luxury; it is a necessity.

Mr. Speaker,

The Government is committed to Bermuda's most vulnerable populations in this instance – our seniors and persons requiring mental health support. This commitment is reflected in the Financial Assistance Amendment Regulations 2025, which aims to strengthen the Financial Assistance Regulations 2004, by providing:

- assurance that there will be minimal to no adjustments to financial assistance awards to pensioners, during periods of reassessments that are triggered by increases to pension incomes, as enacted by the Department of Social Insurance and;

- an increase of mental health outpatient services to DFA clients diagnosed with mental health conditions.

Mr. Speaker,

The amendments to the Financial Assistance Regulations guarantee that there are legal protections in place to ensure financial assistance clients who are seniors maintain a basic income and a degree of financial independence; and clients diagnosed with mental health conditions receive continuous mental health outpatient services, so they are empowered. In the words of Dustin Saudi - The biggest battles of our life are fought in the darkness of our mind. And this government is affording clients of financial assistance to have access to mental health services, if needed.

Mr. Speaker,

In closing, I now lay the Financial Assistance Amendment Regulations 2025 in the House.

Thank you, Mr. Speaker!