

Ontario Disability Support Program (ODSP) 2009 Budget Document

Section I. Existing Services and Service Levels:





The Ontario Disability Support Program (ODSP) is designed to meet the unique needs of people with disabilities who are in financial need and to support those who are able to work. Ontarians 65 years or older who are not eligible for Old Age Security may also qualify for ODSP supports if they are in financial need. The program offers income and employment supports to clients.

Income supports provide financial assistance and other benefits to eligible persons with disabilities and their families. This includes accommodation and basic living expenses, as well as prescription drugs and basic dental care. Other supports and benefits that may be available include eyeglasses, hearing aids, special diet allowances, and medical supplies.

Employment supports help eligible people with disabilities overcome barriers to employment. Persons with a disability and a desire to work may be eligible to receive supports to assist in finding and maintaining a job. People who are already working but having difficulty keeping a job because of a disability may also qualify for ODSP employment supports. Persons with disabilities do not need to be in receipt of ODSP income support in order to be eligible for employment supports.

The ODSP program is exclusively managed and delivered by the Ministry of Community and Social Services (MCSS), notwithstanding that Peel’s staff are engaged internally with ODSP clients, as described in Section V. The program benefits are shared 80/20 (province/municipalities) while the program delivery and administration costs are shared 50/50. The cost sharing is mandated as part of Local Support Realignment (LSR, 1998). Municipalities have no input or approval of the annual ODSP budget. Peel’s share of the monthly ODSP costs are automatically deducted from Peel’s monthly Ontario Works subsidy entitlements.

On August 20, 2007, the Province announced its intention to upload the cost of ODSP, on a 4 year phased- in schedule. Starting in 2008, the cost of Ontario Drug Benefits has been uploaded, followed by an uploading of the ODSP administration costs in 2009. All other remaining costs, including the ODSP benefit costs, will be uploaded evenly over 2010 and 2011. Shown below is the ODSP upload schedule.

Four Year Upload of ODB and ODSP						
	Current Provincial Cost Shares	New Provincial Cost Shares				
		2008	2009	2010	2011	
Ontario Drug Benefits	80%	 100%	100%	100%	100%	100%
Ontario Disability Support Program Administration Component	50%			100%	100%	100%
Ontario Disability Support Program Benefits Component	80%			90%		100%

Section II. Resources to Deliver 2008 Services:

The approved 2008 ODSP operating budget reflects a total budget of \$30.86 million, as summarized below. Peel’s 2008 ODSP budget contains Peel’s portion (20 per cent of program costs and 50 per cent of the administration costs) of the downloaded provincial program.

The actual monthly average caseload is projected to be 10,968 cases (cases with positive cash entitlements) for 2008 vs. the budget of 10,763. The ODSP program is expected to end the year with a \$0.65 million deficit, primarily driven by a higher than projected monthly caseload.

Current \$'000	2007 Actual	2008 Budget	2008 Projection	2008 Variance Under/(Over)
Client Benefit Costs	\$24,528	\$26,625	\$27,325	(\$700)
Ontario Drug Benefits	\$7,115	NIL	NIL	NIL
Administration	\$3,945	\$4,238	\$4,188	(\$50)
Total Expenditure	\$35,587	\$30,863	\$31,513	(\$650)
Total Revenue	N/A	N/A	N/A	N/A
Net Cost	\$35,587	\$30,863	\$31,513	(\$650)
FTE	N/A	N/A	N/A	N/A

Section III. Performance Measurement/Benchmarking:

Recaptured below are monthly ODSP caseload increases in the GTA from 2002 to 2008 (June). The data shows that Peel’s ODSP caseload has outpaced other GTA municipalities (other than York) and the GTA and provincial average during this period.

Municipalities	ODSP - Active” Caseload							
	2002	2003	2004	2005	2006	2007	2008 (June)	Cumulative Change
Peel	7,734	8,263	8,721	9,093	9,538	10,851	11,221	45.1%
Halton	2,616	2,762	2,938	3,123	3,366	3,612	3,723	42.3%
Durham	5,413	5,683	5,969	6,231	6,746	7,331	7,590	40.2%
York	5,030	5,488	5,817	6,173	6,733	7,380	7,667	52.4%
Toronto	45,801	46,247	46,565	47,304	49,526	52,272	53,583	17.0%
Total Including Peel	66,594	68,443	70,010	71,924	75,909	81,446	83,784	25.8%
Total Excluding Peel	58,860	60,180	61,289	62,831	66,371	70,595	72,563	23.2%
Total Ontario	195,685	201,160	206,884	213,494	224,652	238,034	243,845	24.6%

From Provincial “CMSM’s Social Assistance Quarterly”
Caseload figures are higher as the data is depicting active caseload, not caseload with positive entitlements (cash payments)

Section IV. 2009 Base Pressures:

The 2008 base pressure is discussed as part of challenging and emerging trends in section VI and 2009 program pressures in section VII.

Section V. Cost Mitigation Through Efficiencies and Recoveries:

Although ODSP is a downloaded provincial program, significant attention and effort is invested in impacting ODSP effectiveness. Staff provides feedback and advice on a regular basis at a local and provincial level, through both the Association of Municipalities of Ontario (AMO) and the Ontario Municipal Social Services Association (OMSSA). Staff also collaborates locally to ensure efficient and effective service delivery and timely transfer of ODSP eligible clients from Ontario Works (OW) to ODSP.

Ontario Works in Peel provides programming and support services to applicants or recipients of the ODSP program in several key areas, and considerable administration costs are incurred annually as a result. The following areas outline our intensive involvement:

a) Active OW / Pending ODSP

Prior to being granted ODSP, many disabled Peel social assistance recipients first receive financial, employment and social supports from Ontario Works. Their applications for assistance are taken through the Client Contact Unit, after which they are assigned to an OW caseworker who determines OW eligibility and manages their supports while assisting in processing the ODSP disability application.

These cases are routinely highly complex and require support with issues that extend beyond the presenting disability. There is often a need for supports such as health related benefits including special diets, medical transportation, physiotherapy, additional medical testing to support the ODSP application, food supplements over and above the special diet, hearing aids, orthotics, health memberships and health support programs such as pain clinics. Caseworkers often find that these individuals are isolated in the community and require someone to take the time to listen to their concerns and provide them with personal support.

In order to provide supports to these clients during the period that they apply for ODSP and await that decision, and often during the appeal process should the client be found ineligible for the provincial disability program, OW staff are assigned to this work through a dedicated caseload model. In 2008, this work has been managed by 13 Caseworkers, 2 Supervisors and 2 Administrative Support Representatives for a total of 17 FTE's.

b) Active ODSP - Employment Supports

In addition, to improve employment outcomes for ODSP recipients and their families, employment requirements for non-disabled spouses without care giving responsibilities were introduced by the Province in April 2006. These changes made participation in Ontario Works employment activities mandatory for spouses unless specified conditions for exception were met. To facilitate these changes, local Joint Implementation Plans (JIP) were developed between MCSS Regional offices and municipalities.

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Locally, OWIP worked with the Central West Regional office to establish referral protocols, including referral schedules of ODSP clients from the existing ODSP caseload and referral of new applicants who met the criteria. In addition, municipalities were required to continue to provide employment supports to dependant adults and to adult family members on ODSP who wished to participate voluntarily in Ontario Works employment programs. Peel's JIP was approved in June 2006 with services implemented July 2006.

The staff resource of one Employment Services Worker is dedicated to the delivery of the ODSP Employment Program. The program provides assessment and case management supports to assist clients in preparing, searching, securing and retaining employment.

Provincial savings as a result of increased employment of ODSP clients are shared on a 50/50 basis with Ontario Works. Savings are calculated for a period of 36 consecutive months for each person on ODSP referred to Ontario Works for employment supports. However, due to the challenges of entry or re-entry to the labour market and the complexity of individual and family situations, a number of lengthy and intensive supports are often required to achieve the successful outcome of employment for ODSP clients.

Since inception of the program over two years ago, 301 clients have participated with 47 securing employment. Revenue to OW during this period totals approximately \$60,000.

c) Active ODSP - Discretionary and Funeral Benefits

Ontario Works staff in the Community Programs Unit support active ODSP recipients by responding to applications for discretionary benefits and funerals/burials. Similar to OW, while a number of benefits are mandatory, such as special diets and medical transportation, others are considered discretionary in nature. As such ODSP recipients must apply to Peel to be considered for financial assistance with such items as adult dental care, moving, and prosthetic appliances. In addition, supports for funerals and burials for deceased ODSP recipients must be pursued through OW. At this time, 2.5 Caseworkers and 1 supervisor are dedicated to these needs on behalf of ODSP clients.

d) Active ODSP - Outreach Program

Of the hundreds of individuals served annually by Peel's Outreach Team, approximately 20% are actively in receipt of ODSP benefits, with the associated workload of .5 FTE OW Caseworkers.

In summary, OW staff provides programs and supports to pending and active ODSP clients that equate to approximately 17 front line staff, 3 supervisors and 2 administrative support staff. Not included in this total is the significant investment in administrative costs related to internal staffing supports for policy and business analysis, training, technology etc. that relate to ODSP recipients. It should be noted that as funding is capped for both administration and employment in the OW program, costs associated with delivering all these services and supports are 100% borne by the Region of Peel.

Section VI. Challenges and Emerging Trends:

Caseload Increase:

In June 2008, staff submitted a detailed caseload update report to Council. Replicated below is an excerpt from the Council report, focusing on the ODSP caseload increase.

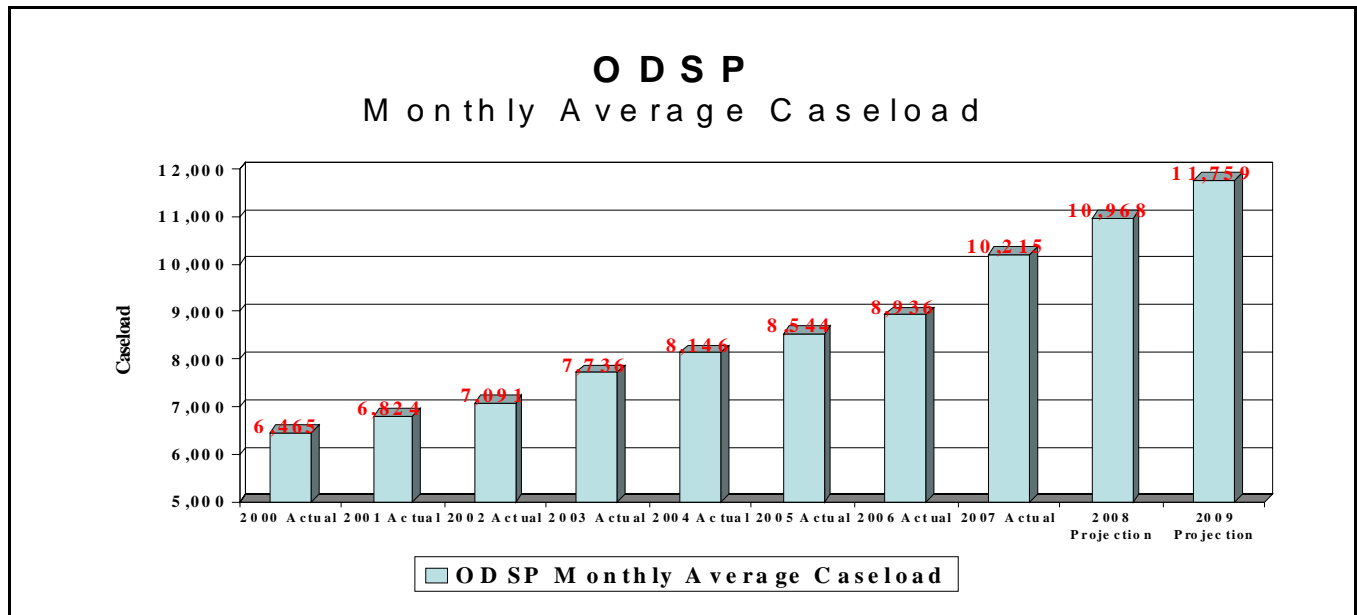
Since 2000, Peel’s ODSP caseload has steadily increased from 6,465 actual per month to 10,215 for 2007. This represents an increase of 3,750 cases or 58 per cent over a period of seven years. From 2006 to 2007, the caseload increased by 1,279 or 14 per cent in just one year, in part due to the accelerated ODSP case grant process. For 2008, Peel is expected to end the year with 10,968 monthly caseload vs. budget of 10,763. This represents an increase of 753 or 7.4 per cent from 2007 actual. For 2009, staff is projecting 11,759 as the budgeted caseload level.

Unlike the OW social assistance caseload, the ODSP caseload is not subject to seasonal fluctuations and there is no decline over the warmer months. As a result, the ODSP caseload will cumulatively increase from month to month. As well, economic factors do not have the same impact for most ODSP clients. The primary factor impacting the ODSP caseload is the overall state of health of the community, in turn driven by incidences (rates) of disability and ageing of our population. As a population ages, disabilities become more common.

Section VII. 2009 Program Pressures – Current:

The monthly average ODSP caseload is projected to be 11,759, representing an increase of 7.2 per cent from 2008 projected actual of 10,968 and an increase of 9.3 per cent from 2008 budget of 10,763.

The following chart illustrates the caseload trend from 2000 to 2009.



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In keeping with past trends, the Ministry of Community and Social Services (MCSS) has announced an increase in the benefit rate of 2.0 per cent which will be cost shared commencing in 2009. By 2009, both drug benefit and administration costs will be uploaded.

Based on the current caseload trend and the scheduled upload of the ODSP program costs, shown below is the financial impact to Peel from 2009 to 2011. The figures for 2008 budget and projection are included for comparison purposes.

ODSP Program Components (\$000)	2008 Budget	2008 Forecast	2009 Budget	2010 Budget	2011 Budget
Ontario Drug Benefits	NIL	NIL	NIL	NIL	NIL
Administration	\$4,238	\$4,188	NIL	NIL	NIL
Benefit	\$26,625	\$27,325	\$29,437	\$16,068	NIL
Total	\$30,863	\$31,513	\$29,437	\$16,068	NIL

Section VIII. 2009 Program Pressures – Capital:

Not Applicable

Section IX. 2009 Summary:

See Section VII

Section X. Pressures not included in 2009 Budget:

As noted above, Ontario Works dedicates many resources to managing the ODSP program. The 2009 ODSP program does not include any program administration costs for these resources needed by the Ontario Works division. The increase in the number of ODSP clients will increase the amount of internal support resources needed.

Appendices:

Appendix I only

2009 Current Pressures

APPENDIX I
ONTARIO DISABILITY SUPPORT PAYMENTS (ODSP)
2009 CURRENT PRESSURES (\$'000)

	ODSP		
	Total Expenditures	Total Revenue	Net Cost
2008 Revised Cost of Service	30,863	-	30,863
Annualizations - Section IV	-	-	-
Cost of Living Increase/Inflation - Section IV	-	-	-
Efficiencies - Section V	-	-	-
Recoveries - Section V	-	-	-
2009 Base Changes	-	-	-
Growth - Section VII	-	-	-
Service Demand - Section VII	2,812	-	2,812
¹ The monthly average ODSP caseload is projected to be 11,759, representing an increase of 7.2% from 2008 projected actual of 10,968 and increase of 9.3% from 2008 budget of 10,763. The Region is also anticipating a 2% benefit rate increase which will be cost shared.			
Subsidy and Fee Changes - Section VII	-	-	-
Other - Section VII			
¹ Administration Cost uploaded to the Province	(4,238)	-	(4,238)
2009 New Pressures	(1,426)	-	(1,426)
Total 2009 Pressures	(1,426)	-	(1,426)
2009 Recommended Cost of Service	29,437	-	29,437