

CHANGES TO THE WAY THAT THE ONTARIO DISABILITY SUPPORT PROGRAM (ODSP) DEALS WITH EMPLOYMENT INCOME

There are new rules for employment income earned by people who receive Ontario Disability Support Program (ODSP) benefits. These changes do not apply to people who receive Ontario Works (OW) benefits.

Under the new rules, the monthly flat rate earnings – the amount that people can earn without any deductions from their ODSP benefits – will increase from **\$200 to \$1,000**. This means that people will be able to keep the first \$1,000 of net earnings (after taxes and deductions) instead of the first \$200. However, the amount that will be deducted on income above \$1,000 will increase from 50% to 75%. Generally, these new rules will apply only to members of the benefit unit who are people living with a disability (the approach to employment earning exemptions will not change for other benefit unit members).

The new rules take effect on **February 1, 2023**, and will be reflected in people's **March 2023 payments**. People are still required to report their income by the 7th day of the month following the month they get paid. In other words, people who earn employment income in February 2023 and report that income by March 7, 2023 will have the new rules applied to their ODSP payment for March 2023.

The changes are expected to have a positive impact on *many but not all* people who are working and receiving ODSP benefits. For example, people with net earnings up to \$2,600 will have less taken off their ODSP income support and will end up with more money overall. However, recipients with net earnings above \$2,600 will end up with less money overall, and they will "earn their way off" ODSP sooner (meaning they will not be entitled to financial and some other benefits). Under the current rules, a recipient who is entitled to \$1,228 per month (current basic needs and maximum shelter amount) becomes financially ineligible for ODSP once they earn about \$2,656 (net) a month. Under the new rules, that will drop by about \$18, to about \$2,638 (net) a month.

Generally, people living with HIV who receive ODSP benefits will continue to be eligible for prescription drug coverage even if they stop receiving financial benefits from ODSP because they make too much employment income. If ODSP determines that someone makes too much employment income to receive financial benefits, the worker must discuss options for prescription drugs with the person (i.e., the Extended Health Benefit or the Transitional Health Benefit).

See this [factsheet](#) put together by the [Income Security Advocacy Centre](#), which includes a comparison table and different fact situations, for more information about the new employment income rules.

People living with HIV can contact [HALCO](#) about ODSP or other legal questions. It is important that people call HALCO right away if they stop receiving access to prescription drugs through ODSP. People not living with HIV can contact their [local community legal clinic](#).

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