

Ontario Social Assistance Review – Important ODSP Update

On November 22, 2018, the province of Ontario announced a new direction for social assistance in Ontario. The proposed changes relate to Ontario Works (OW) and the Ontario Disability Support Program (ODSP), but this update focusses on ODSP.

While the government provided few details, and while we welcome additional employment and other supports that were included in the announcement, this update highlights three particular areas of concern for people living with HIV and other disabilities. As noted below, we strongly urge the government to reconsider their new approach. As more information becomes available, we will provide further updates as well as thoughts about advocacy.

Disability Definition

ODSP currently uses an inclusive definition of disability that recognizes that people whose disabilities might not be “severe” may still face serious obstacles to employment and to participation in the community and in daily life. The announcement, however, indicates that the government will look at changing the definition of disability for ODSP to align with federal guidelines.

Federal definitions of disability under programs such as the Canada Pension Plan and the Disability Tax Credit are much more restrictive than the ODSP definition. As a result, many people with disabilities who need ODSP support in the future and who meet the current ODSP definition of disability will be excluded.

The government announced (in their press conference) that current ODSP recipients will be grandparented under the current definition of disability. The approach to HIV under the new definition is unclear, and more generally there is a serious concern that people with episodic disabilities, like HIV, or certain mental health disabilities may not be eligible to receive ODSP benefits under the new definition.

We strongly urge the government to reconsider the move to a more restrictive definition of disability.

Health Spending Account

The government also announced the creation of a new Health Spending Account for ODSP recipients. It is not clear whether this will replace current mandatory and discretionary health-related benefits that help people access items like medical transportation, diabetes supplies, incontinence supplies, and other necessities. In fact, no information about this new approach has been released.

We strongly urge the government to ensure that people have coverage for all health-related supply and service needs.

Earnings Exemptions

The announcement also includes changes to the amounts of money that people on ODSP can keep when they work.

Currently, ODSP recipients keep the first \$200 of net employment income per month, and ODSP generally claws back 50% of the rest of net employment income.

While the new approach increases the earnings exemption amount from \$200 per month to \$6,000 per year, it also increases the claw-back rate from 50% to 75% for earnings above \$6,000.

Moving to an annual earnings amount is welcome, as it will provide more flexibility for those whose earnings fluctuate from month to month. The increased earnings exemption is also welcome. However, the higher 75% claw-back rate will have a negative impact on ODSP recipients who have net monthly employment income of \$1,100 or more per month, with the negative impact increasing as net earnings increase. The increased claw-back will disentitle more people from ODSP.

We strongly urge the government to reconsider the manner in which earnings are treated.

Conclusion

While we welcome the additional employment and other supports that were included in the announcement, we have serious concerns with the proposed restructuring of ODSP benefits. The restructuring may make it difficult for people living with HIV who are not grandparented to qualify for ODSP benefits, which raises serious concerns in relation to access to financial resources and essential health care benefits. This would be unacceptable.

As the province releases more information, we will provide further updates as well as thoughts about advocacy moving forward. In the coming days we will also be releasing an information sheet to assist frontline workers with questions surrounding the government's announcement.

If you are living with HIV in Ontario and have any questions, please contact the HIV & AIDS Legal Clinic Ontario (HALCO) for free legal advice:

416-340-7790 or toll-free 1-888-705-8889 www.halco.org

Please see links below for more information:

Income Security Advocacy Centre:

<https://incomesecurity.org/public-education/many-questions-few-answers-and-great-risk-for-people-with-disabilities/>

Ontario Government: News Release:

<https://news.ontario.ca/mcys/en/2018/11/ontarios-government-for-the-people-announces-plan-to-restore-dignity-independence-and-empowerment-to.html>

Ontario Government: Backgrounder:

<https://news.ontario.ca/mcys/en/2018/11/reforming-social-assistance.html>