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Changes to Ontario Works Discretionary Benefits policy means less funding

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As of July 1, 2012, a change in the Ontario Works Discretionary Benefits policy will mean staff of the Manitoulin-Sudbury District Services Board (DSB) may have to deny the requests of those who even qualify for the benefits.

This is due to a new provincial cap and the board may have met or exceeded the provincial maximum on Discretionary Benefits (DB).

This news was not of a pleasant nature for the board members during the June 2012 meeting.

Health-related Discretionary Benefits would include dental care, eye glasses, a portion of the costs of prosthetic appliances, funerals and burials, and any other special service item. Non-health related Discretionary Benefits include vocational training and retraining, travel, transportation and moving expenses.

Based on the board's early analysis of these new rules, the DSB will have an annual allocation of approximately \$145,000 for health and non-health related DB effective July 1, 2012. Since their expenditure for 2011 was \$147,034, they may be able to manage within the new allocation.

However, the elimination of the Community Start-up and Maintenance Benefit (CSUMB) on January 1, 2013 will put a lot of pressure on the DB allocation.

Based on the figures provided by the Ministry of Community and Social services, the DSB spent \$284,615 on the CSUMB benefits over a 12-month period from April 2011 to March 2012.

CSUMB is a mandatory social assistance benefit which provides funding to eligible recipients to assist with the cost of establishing a new residence, preventing eviction or discontinuation of heating or utilities and/or maintaining an existing residence.

The CSUMB benefit is provided for victims of family violence, person who are homeless, persons who reside in uninhabitable premises, persons leaving a residence due to many circumstances and persons being discharged from institutions such as hospitals and long-term care homes.

All Ontario Works and ODSP clients may be eligible to access CSUMB, which provides up to a maximum of \$1,500 for recipients with one or more dependent children in a 24-month period; or up to \$799 where there are no dependent children in a 24-month period.

The vast majority of the items covered by CSUMB benefit are also eligible under the DB, so the items requests under CSUMB (\$284,615) will become requests, which will be made under the DB policy.

Obviously the \$145,000 provincial maximum on DB will in no way absorb the CSUMB request which will come once the new DB policy is in effect in January 2013.

This will mean many requests for assistance which qualify under the DB will need to be denied as staff try to live within the provincial maximum on DB. The clients the DSB serve will not be satisfied with the decision to deny benefits which qualify under the DB policy, solely for the reason that the DSB has met or exceeded its monthly or quarterly provincial maximum on DB.

Under the current Ontario Works legislation, recipients have the right to an internal review and an appeal to the Social Benefits Tribunal (SBT) when Mandatory Benefits are denied.

The same right of appeal to the SBT does not exist for the denial of a Discretionary Benefit.

However, when a recipient is not satisfied with any decision made by staff, they can request an internal review of the decision.

Staff will need to track and monitor this closely to ensure they do not exceed the provincial maximum.

Any expenditure which exceeds the provincial maximum will not be cost shared by the province and will be a 100% municipal cost.

A review of the DSB Discretionary Benefit policies has begun and staff have prepared a brief summary of some possible options being considered.

According to the past year's expenditures, the change under consideration may result in an annual saving of \$24,000 to the existing DB expenditures.

The board needs to recognize any savings attributed to changes in policy will be absorbed by the increases requests in January 2013 once the CSUMB benefit is eliminated by the province.

Recently, the board approved changes to the DB policy, which will allow the staff to deny benefits requests which would qualify under the policy, but are unable to approve as they have met or exceeded the provincial maximum on discretionary benefits.

DSB staff will continue to review the Ontario Works DB policies and will be providing the board with further recommendations for changes in policy at the September 2012 Board Meeting.

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