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November 24, 2009

MEMORANDUM TO: Ontario Works Administrators
- Municipalities and DSSABs
- First Nations

Regional Directors
Regional Program Managers, ODSP
Municipal Services Managers
Municipal Program Supervisors

FROM: Erin Hannah
Director
Ontario Works

Norm Helfand
Director
Ontario Disability Support Program

RE: **Ontario Works Upload of Eligible Municipal Costs**

As you are aware, the report of the Provincial-Municipal Fiscal and Service Delivery Review (PMFSDR), released in October 2008, included the Province's commitment to upload the eligible municipal share of costs for Ontario Works financial and employment assistance.

To support this commitment, regulations were filed on November 5, 2009 to upload the municipal share of costs for Ontario Works financial and employment assistance. The upload of costs, will be phased in over a 9 year period, beginning January 1, 2010, and completed in 2018, as per the following chart:

Ontario Works	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Ongoing
Provincial Share	80%	80.6%	81.2%	82.8%	85.8%	88.6%	91.4%	94.2%	97.2%	100%	100%
Municipal Share	20%	19.4%	18.8%	17.2%	14.2%	11.4%	8.6%	5.8%	2.8%	0%	0%

In addition to the phased upload, effective January 1, 2010, any recovered assistance will be cost-shared based on the rate applicable in the year in which the recovery is made. This change has also been made to the Ontario Disability Support Program (ODSP) administration and cost-sharing regulation.

Revised Ontario Works directives will be available in the near future. In the meantime, the amended Ontario Works and ODSP Administration and Cost-Sharing regulations may be viewed on the e-laws website:

<http://www.e-laws.gov.on.ca/>

Please ensure that this information is shared with all staff. If you have any questions, feel free to contact Elizabeth Roy at 416-326-2540.

Original signed by

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original signed by

E. Hannah
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- c. Maxine Daley, Director, Social Assistance and Municipal Operations Branch
Elizabeth Roy, Manager, Ontario Works Branch
Morag York, Manager, Ontario Disability Support Program Branch

**MINISTRY OF COMMUNITY AND SOCIAL SERVICES
QUESTIONS AND ANSWERS**

**Changes in support of the upload of municipal costs for Ontario Works
and Ontario Disability Support Program (ODSP)**

Question

What changes were made to the Ontario Works Administration and Cost-sharing regulation?

Answer

The amendments to the Ontario Works Administration and Cost-sharing regulation, which come into effect on January 1, 2010, modify the cost-sharing rate for Ontario Works financial and employment assistance to reflect the gradual upload of the municipal share of costs to the province, leading to 100% provincial subsidy by January 1, 2018.

In addition, effective January 1, 2010, any recoveries will be cost-shared based on the rate applicable in the year in which the recovery is made. This change supports the phased upload of Ontario Works over 9 years.

Question

What changes were made to the ODSP Administration and Cost-sharing regulation?

Answer

The amendment to the ODSP Administration and Cost-sharing regulation relates to the refund of recovered assistance. As with Ontario Works, recoveries will be shared with the delivery agent according to the cost-sharing rate in effect at the time the amount is recovered.

The ODSP Administration and Cost-sharing Regulation was amended in 2007 to implement the phased upload of ODSP costs to the Province. While provision for this change was made in 2007, a technical amendment was made to restore the change in cost-sharing to ODSP, and to ensure the change would be in effect January 1, 2010.

Question

Why were these changes made?

Answer

The changes to the cost-sharing of Ontario Works were made in support of the Provincial-Municipal Fiscal and Service Delivery Review (PMFSDR) commitment on the part of the Province to fully fund Ontario Works financial and employment assistance by 2018.

Regulation amendments to support the phased upload of ODSP financial assistance were completed in 2007, in response to a provincial announcement made in August 2007. ODSP employment assistance costs are not shared with municipalities.

Question

Who will be impacted by these changes?

Answer

The changes in the cost-sharing framework for Ontario Works financial and employment assistance will impact Ontario Works delivery agents, which are the 47 Consolidated Municipal Service Managers/District Social Services Administration Boards (CMSMs/DSSABs) and 100 First Nations.

Question

Will the changes to the process of refunding recovered assistance affect the current administrative processes?

Answer

No. Changes to the refunds of recovered assistance will continue to be supported by current administrative processes.

- For Ontario Works, delivery agents will continue to submit recovered assistance through the *Application for Monthly Payment of Provincial Subsidy for Assistance* form (which will be updated to reflect the changes in the cost-sharing percentages by January 1, 2010).
- For ODSP, the current monthly billing process will continue until January 2011 when the province will assume 100 percent responsibility for ODSP costs.

Question

How will these changes benefit delivery agents?

Answer

The upload of Ontario Works financial and employment assistance will save municipalities an estimated \$425 million by 2018.

By uploading the municipal share of eligible costs of financial assistance and employment assistance for Ontario Works, the province is reducing the expenditure burden for municipalities.

Question

What components of Ontario Works are included in the upload of services as a result of these changes?

Answer

The cost-sharing changes affect the municipal share of eligible Ontario Works financial and employment assistance costs. At present, Ontario Works financial and employment assistance are cost-shared 80/20 on a provincial-municipal basis.

The Ontario Works Cost of Administration will not be affected by these new cost-sharing changes. Per the commitment in the PMFSDR report, a provincial-municipal working group has been established to discuss concerns regarding administration and recommend principles to guide future funding.

Question

What is included in Ontario Works financial assistance?

Answer

Ontario Works financial assistance includes:

- income assistance provided for purposes of basic needs and shelter;
- mandatory and discretionary benefits as outlined in the Ontario Works regulations; and
- emergency assistance.

Question

What is included in Ontario Works employment assistance?

Answer

Employment assistance allows for the provision of a full range of services that provide Ontario Works participants with the supports necessary to prepare for and find sustainable employment.

Question

Are emergency hostel services included in the upload of Ontario Works costs?

Answer

Emergency hostel services, up to the approved provincial maximum emergency hostel per diem, are part of Ontario Works financial assistance and are therefore included in the upload of Ontario Works funding.

Question

When are the changes effective?

Answer

The new regulations in support of the upload of the eligible share of municipal costs for Ontario Works and ODSP will come into effect on January 1, 2010, as per the Provincial-Municipal Fiscal and Service Delivery Review agreement.

Question

What is the timeframe for implementation of the changes?

Answer

The upload of eligible Ontario Works and ODSP municipal costs will take place starting in 2010 as follows:

Provincial Share	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ontario Works (financial and employment assistance)	80%	80.6%	81.2%	82.8%	85.8%	88.6%	91.4%	94.2%	97.2%	100%
ODSP (financial assistance)	80%	90%	100%	--	--	--	--	--	--	--