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June 4, 2012

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

Regional Directors  
Municipal Services Managers  
Municipal Program Supervisors

**FROM:** Jeff Butler  
A/Director, Ontario Works

**RE: Revision of the Cost Sharing Formula for Ontario  
Works Non-Health and Health-Related Discretionary  
Benefits**

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Further to my memo of April 20, 2012, I am writing to inform you that the Ontario government has approved regulation amendments to support the revision to the cost sharing formula for Ontario Works non-health and health-related discretionary benefits.

The current maximum monthly amount eligible for Provincial cost-sharing of non-health related discretionary benefits expenditures is determined by a formula: \$8.75 multiplied by the sum of the combined Ontario Works and ODSP average monthly caseload within a delivery agent's geographic area.

Effective July 1, 2012, the existing formula will be replaced with a new formula of \$10 multiplied by the sum of the combined Ontario Works and ODSP average monthly caseload within a delivery agent's geographic area, and will apply to combined total health and non-health related discretionary benefits expenditures. The new per case amount will continue to be subject to the terms of the current cost sharing arrangements.

A regulation amendment to remove home repairs benefits from the ODSP regulation effective December 31, 2012 was also approved. To align with this change, updated policy directives reflecting the removal of home repairs from Ontario Works discretionary Director- approved special services, items and payments will be provided by December 31, 2012.

Ontario Works Delivery agents providing home repairs as a discretionary benefit will need to develop a transition strategy based on local policies.

## **Implementation Details**

### Discretionary Benefits Cost Sharing

The following implementation supports regarding the revised cost sharing formula for discretionary benefits are attached:

- Fact Sheet
- Questions and Answers

Additional implementation tools and resources will be provided in the coming months:

- Updated policy directives reflecting the new cost sharing formula will be provided by July 1, 2012; and
- The ministry will distribute a set of updated administration instructions, templates and a transition process for 2012 in early July.

There will be no significant changes to the current business processes for the administration of the revised cost sharing formula. Delivery Agents will continue to report their expenditures and caseload counts on a monthly basis.

## **Legislative Authority**

*Ontario Works Act, 1997*

Ontario Regulation 135/98 (Administration and Cost Sharing) made under the *Ontario Works Act, 1997* as amended by O. Reg. 123/12.

The regulation amendments were filed with the Registrar of Regulations on June 1, 2012, and will be published in the *Ontario Gazette* on June 16, 2012. A copy of the amending Regulations will be available under "Regulations as Filed" at: [www.e-laws.gov.on.ca](http://www.e-laws.gov.on.ca) on June 5, 2012.

Please ensure that this memo is shared with all staff within 24 hours. If you have any questions with respect to these changes please contact Anna Cain, Manager at 416-325-6086.

*Original Signed By*

Jeff Butler

- c. Patti Redmond, Director, Ontario Disability Support Program Branch  
Maxine Daley, Director, Social Assistance and Municipal Operations Branch  
Kira Heineck, Ontario Municipal Social Services Association

Michael Nadeau, Ontario Native Welfare Administrators Association  
FN Technology Providers  
Clinic Resource Office

**MINISTRY OF COMMUNITY AND SOCIAL SERVICES  
FACT SHEET**

**Regulation Amendments (July 2012)**

**For use by Ontario Works Delivery Agents**

The Ontario government has approved amendments to the Ontario Works Administration and Cost Sharing Regulation (O. Reg. 135/98) to support the revised cost sharing formula for Ontario Works discretionary benefits.

The regulation amendments will be effective on July 1, 2012.

**REVISION OF THE COST SHARING FORMULA FOR ONTARIO WORKS NON-HEALTH AND HEALTH-RELATED DISCRETIONARY BENEFITS**

- The amendments support the revision of the cost sharing formula for Ontario Works non-health and health-related discretionary benefits.
- The current formula to determine the maximum amount eligible for Provincial cost-sharing of non-health related discretionary benefits expenditures of \$8.75 multiplied by the monthly average number of recipients of basic financial assistance under the Ontario Works Program and the number of recipients of income support under ODSP (average monthly caseload) within a delivery agent's geographic area will be replaced effective July 1, 2012.
- The new formula will be \$10 multiplied by the sum of the combined Ontario Works and ODSP average monthly caseload within a delivery agent's geographic area, and will apply to combined health and non-health related discretionary benefits expenditures. The new per case amount will continue to be subject to the terms of the current cost sharing agreement.
- There will be no significant changes to the current business processes for the administration of the revised cost sharing formula. Delivery Agents will continue to report their expenditures and caseload counts on a monthly basis.
- The ministry will distribute a set of updated administration instructions, templates and a transition process for 2012 in early July. Updated policy directives, reflecting the new cost sharing formula, will be provided by July 1, 2012.

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

**For use by Ontario Works Delivery Agents**

Revision of the Cost Sharing Formula for Ontario Works Discretionary Benefits

**Q What regulatory change is the Ministry making?**

- A. The regulations are being revised to replace the current formula for determining the maximum amount of discretionary benefits expenditures eligible for Provincial cost sharing.

The current formula of \$8.75 multiplied by the sum of the combined Ontario Works and ODSP average monthly caseload within a delivery agent's geographic area will be replaced effective July 1, 2012.

The new formula will be \$10 multiplied by the sum of the combined Ontario Works and ODSP average monthly caseload within a delivery agent's geographic area, and will apply to combined health and non-health related discretionary benefits expenditures. The new per case amount will continue to be subject to the terms of the current cost sharing agreement.

**Q Will there be changes to the business process for the administration of the revised cap on the amount of discretionary benefits expenditures eligible for Provincial cost sharing on July 1<sup>st</sup>?**

- A There will be no significant changes to the current business processes for the administration of the revised cost sharing formula. Delivery Agents will continue to report their expenditures and caseload counts on a monthly basis.

The ministry will distribute a set of updated administration instructions, templates and a transition process for 2012 in early July. Updated policy directives reflecting the new cost sharing formula will be provided by July 1, 2012.

**Q. When will these changes be effective?**

- A. This change is effective July 1, 2012.