



Report To:	Program Planning Committee
From:	Donna Moroso, Director of Integrated Social Services and Gilles Plouffe, Ontario Works Program Supervisor
Date:	January 23, 2013
Re:	Ontario Works Mandatory and Discretionary Benefits Policy - Issue Report

REPORT

Purpose

That the Program Planning Committee recommends approval for the revisions to DSB's Ontario Works Discretionary and Mandatory Policies to the Board. The changes in these discretionary policies are as a result of the provincial maximum on Discretionary Benefits. These changes in policy are required as the new provincial cap on Discretionary Benefits have taken effect July 1st, 2012. The changes in the mandatory policies are as a result of the elimination of the Community Start-Up and Maintenance Benefit that has taken effect January 1st, 2013.

Background

As mentioned in the June 27, 2012 [Discretionary Benefits - Issue Report](#), here is a recap of the background as to why changes in our discretionary benefits policies are required.

Ontario Works Discretionary Benefits

Manitoulin-Sudbury DSB 2011 Calendar Year Expenditures

Health Related Benefits:	\$ 86,543
Non- Health Related Benefits:	\$ 60,491
Total	\$147,034

Prior to July 1st, the previous formula was \$8.75 per case for non-health related Discretionary Benefits. The previous formula has been replaced with a new formula of \$10 per case on combined health and non-health related Discretionary Benefits effective July 1, 2012.

Health related Discretionary Benefits include:

- dental care for adults and dependent adults on Ontario Works and dependent adults of ODSP clients;
- eye-glasses for adults and dependent adults on Ontario Works and dependent adults of ODSP clients;
- a portion of the costs of prosthetic appliances;
- funerals and burials; and
- any other special service, item, or payment authorized by the Director of Ontario Works (e.g. child care costs in situations where a recipient requires child care to attend a medical appointment).

Non-health related Discretionary Benefits include:

- vocational training and retraining;
- travel and transportation that is not for health-related purposes;
- moving expenses; and
- any other special service, item or payment authorized by the Director of Ontario Works

Based on our analysis of these new rules the Manitoulin-Sudbury DSB has an annual allocation of approximately \$145,000 for health and non-health related Discretionary Benefits effective July 1, 2012. Since our expenditures for 2011 were \$147,034, we may be able to manage within the new allocation.

However, the elimination of the Community Start-up & Maintenance Benefit (CSUMB) on January 1, 2013 will put a lot of pressure on the Discretionary Benefits allocation. Based on the figures provided by Ministry of Community & Social Services, the Manitoulin-Sudbury DSB spent \$284,615 on the CSUMB benefit over a 12 month period from April 2011 to March 2012.

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

Obviously the \$145,000 provincial maximum on Discretionary Benefits will in no way absorb the CSUMB requests (\$284,615) that will come under Discretionary Benefits policy come January 1, 2013. This will mean that many requests for assistance which qualify under the Discretionary Benefits will need to be denied as staff try to live within the provincial maximum on Discretionary Benefits. The clients we serve will not be satisfied with the decision to deny benefits that qualify under the Discretionary Benefits policy, solely for the reason that the DSB has met or exceeded its monthly/quarterly provincial maximum on Discretionary Benefits.

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 Social Benefits Tribunal 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 we do not exceed our provincial maximum. Any expenditure that exceeds the provincial maximum will not be cost shared by the province and will be a 100% municipal cost.

Objectives

Discretionary Benefits

The Ministry has regulated the maximum amount that can be spent at \$10 per case effective July 1st, 2012 on combined health and non-health related Discretionary Benefits.

Staff will monitor the budget monthly to ensure that the DSB does not exceed the new yearly maximum of \$145,000 according to the new formula.

The review of the Manitoulin-Sudbury DSB Discretionary Benefits policies is complete and staff have prepared a brief summary of the changes being proposed to the board in the Discretionary Benefit Overview Summary.

Summary of Changes - Discretionary Benefits		
Policy	Change	Savings
7B.4 Orthodontics	Discontinue - Approve by Exception only	\$1,885
7B.6 Prosthetic Appliances & Mobility Devices	Discontinue - Approve by Exception only	\$9,334
7B.12 Housing Related Benefit	Home Repairs removed by legislation	\$6,996
	Moving Expenses reduced from \$400 to \$300 every 24 months	\$200
	Energy and Water conservation reduced from \$400 to 300 every 24 months	
	Alerting Systems reduced from \$250 to \$200 every 24 months	
7B.13 Last Month's Rent	Remove reference to CSUMB	\$0
7B.14 Utility Arrears	Discontinue - Approve by Exception only	\$221
7B.15 Approved Household Items	Table & Chairs - Eliminated	\$744
	Freezers - Eliminated	\$200
	Bunk Beds - Eliminated	\$1,110
7B.17 Layette and Baby Supplies	Eliminated completely and will be considered under the Our Kids Count Policy.	\$3,250
Total Projected Savings		\$23,940

According to the past year's expenditures, the changes under consideration may result in annual savings of \$23,940 to the existing Discretionary Benefits expenditures. The Board needs to recognize that any savings attributed to changes in policy will be absorbed by the increased requests in January 2013 as the CSUMB benefit has now been eliminated by the province.

Mandatory Benefits

Due to the elimination of the Community Start-Up and Maintenance benefit effective January 1st, 2013; certain mandatory local policies were re-vamped to reflect the new change.

The review of the Manitoulin-Sudbury DSB Mandatory Benefits policies is complete and staff have prepared a brief summary of the changes being proposed to the board in the Mandatory Benefit Overview Chart below.

Summary of Changes - Mandatory Benefits	
Policy	Change
7A.1 Mandatory Benefits Overview	Removed any reference to Community Start-Up and Maintenance Benefit
7A.8 Guide Dog Benefit	Increase in Dog Guide Allowance from \$70 to \$75 per month
7A.10 Employment Benefits	Combined all Employment Benefits together: Full-Time Employment Benefit (FTEB) Other Employment and Assistance Benefit (ESUB) Advance (Up Front) Child Care Payment Employment Related Expenses (ERE) Community Participation Expenses (CPE)
7A.11 Employment Related Expenses (ERE)	Policy eliminated - Combined with 7A.10
7A.12 Community Participation Expenses (CPE)	Policy eliminated - Combined with 7A.10
7A.13 Community Start-Up and Maintenance Benefit (CSUMB)	CSUMB removed by legislation

Conclusion

In summary, our current discretionary cap is \$145,000 per year. In 2011 we spent \$147,000. By reducing some of the items covered by discretionary we are allowing some of the \$284,615 previously covered by Community Start-Up and Maintenance Benefit to be covered by discretionary. Along with the \$94,945 received in Community Homelessness Preventive Initiative funding and the CHPI one time funding for 2013-2014 of \$132,429, we are still short \$33,301 for the 2013 calendar year.

CSUMB Expenses:	\$284,615
Less Discretionary Savings:	\$ 23,940
Plus New CHPI Funding:	\$ 94,945
On-going Annualized Shortfall	\$165,730
Plus CHPI One time funding:	\$132,429
2013 Calendar Shortfall	\$ 33,301

The change in the [7B.1 Discretionary Benefits Overview](#) approved by the board on June 28th, 2012 allows staff to deny benefits request that would qualify under the policy but are unable to approve as we have met or exceeded the provincial maximum on discretionary benefits.

At the present we are seeking Board approval to approve all of the changes in the Ontario Works Policy Manual. These changes in policies are required now as the new provincial maximum on Discretionary Benefits has taken effect July 1st, 2012 and the elimination of the CSUMB Benefits has now been replaced by the new CHPI guidelines.