

FACT SHEET

Are you entitled to a retroactive ODSP payment?

If you were found eligible for ODSP between June 1, 1998 and May 24, 2006, you may be entitled to a lump-sum retroactive payment.

The Ministry of Community and Social Services estimates that between 13,000 to 19,000 people who were found eligible for ODSP between June 1, 1998 and May 24, 2006 are entitled to a special payment. Because of delays in processing ODSP applications during that time, many people were forced to wait up to eight months for a decision after they had submitted their completed application. Yet once the application was approved, they only received four months retroactive pay because that was all that was allowed under the regulations.

As a result of an Ombudsman's investigation and a scathing report that was released May 31st, 2006, the Ministry revised the regulation so that the "four month" rule was eliminated. So applicants will now receive ODSP from the date they submit their completed application, no matter how long the Ministry takes to process it. The Ministry has hired additional staff in an attempt to ensure that future ODSP applications are processed within four months.

On August 28th, 2006, the Ministry also announced that it would pay ODSP recipients any money owing them between the time when they submitted their completed ODSP application and when they received their first cheque. Applicants who were approved May 25th, 2006 or later will not receive any extra money because the four-month rule was no longer in effect when their applications were approved.

Who is eligible for the retroactive payment?

Anyone who applied for ODSP between June 1, 1998 and May 24, 2006 and waited longer than four months from the date they submitted their completed application to the date they were approved. This includes people who are no longer receiving ODSP, no longer living in Ontario, or deceased. In the case of the deceased, payments will be issued to their estates.

How do I apply?

The Ministry will send letters to everyone they believe is eligible. If you do not receive the letter for whatever reason and believe you are eligible, you should contact the toll-free information line at 1-866-608-2721.

If you are currently receiving ODSP and have been affected by the four-month rule, you should automatically receive your payment, along with a letter explaining why you are receiving it.

The Ministry will send a letter to the last known address of any people who have been affected by the four month rule but are no longer on ODSP or living in Ontario. The letter will provide information on how to contact the Ministry to receive the special payment.

How will the payments be calculated? Will I get interest?

If you applied directly to ODSP, the special payment will be calculated by multiplying the amount you were entitled to in the first full month you received ODSP by the number of months you didn't receive ODSP because of the four month rule. Pro-rated amounts will be paid for incomplete months.

If you applied through Ontario Works, the special payment will be calculated by using the amount you were entitled to in the first full month you received ODSP, minus the amount of Ontario Works assistance you received that month. Then that amount will be multiplied by the number of months you didn't receive ODSP because of the four-month rule.

The payments do not include interest or other ODSP benefits.

When will I get the lump sum retroactive payment?

The Ministry has created a centralized unit in the Social Assistance Municipal Operations Branch. Staff began calculating payments in October, 2006. They are hoping to issue the first cheques by November and the remaining payments within a year.

If I have an overpayment, will I still get the retroactive money?

You will get a letter informing you that the special payment has been applied to your overpayment. You will only get a cheque if any money remains after your overpayment has been completely repaid.

What if I think I should have gotten a larger payment?

If your personal circumstances changed significantly between the time you applied for ODSP and the day you received a letter from the Ministry approving your application, contact your nearest community legal clinic for legal advice: toll-free at 1-800-668-8258 or go to www.legalaid.on.ca/en/area.asp. Examples of changed circumstances include things like a change in income, rental costs, another person living with you, etc.

If you have gotten legal advice and are confident you are entitled to more money, not less, contact the Ministry toll-free at 1-866-608-2721 and submit a request for a file review. You must submit your request within six months of receiving your special payment. Requests after that will only be considered under special circumstances. You will need to provide documentation showing how your circumstances have changed. The Director will consider the new information and decide how much additional money you are entitled to.

If I am unhappy with the file review, can I appeal to the Social Benefits Tribunal?

No. The Director's decision cannot be appealed.

Will the money be considered income?

The money will not be considered income for ODSP purposes. So it will not affect your eligibility for ODSP.

Will the money be subject to asset rules?

Yes. You will have six months to spend the money down below the allowable asset level. However, the Ministry has directed workers to give recipients extra time if necessary. The Director will also have the discretion to allow recipients to save the money in order to purchase necessary items or services relating to your health or disability.

Will the money affect my personal tax liability?

The special payment will not affect your personal tax liability. However, it might be considered income under other income-tested programs and for tax credits such as the Ontario Drug Benefit Program and Ontario Property and Sales Tax Credits.

For more information on the ODSP retroactive lump-sum payments: 1-866-608-2721