

DEC. 2004 CHANGES TO OW/ODSP RULES

On December 15th, 2004, the government introduced changes to the Ontario Works and Ontario Disability Support Program regulations.

The following is only intended to provide a summary of the changes, and is not intended to be relied on for legal advice. If you think you might be affected by the changes, you may wish to contact your local legal clinic for more information.

INCOME AND ASSETS

The following things are no longer treated as assets or income under OW and ODSP, which means you are now able to keep them without losing your benefits or being denied assistance:

- **Registered Education Savings Plans (RESPs).** You no longer have to cash out RESPs that you have for yourself or your children in order to receive or continue to receive assistance. RESPs can be kept without affecting benefits. You are also allowed to have other people contribute to your RESPs without having it affect your benefits, and the matching contribution by the federal government – the Canada Student Education Grant (CESG) – is also exempt.

If an RESP is cashed out and is used for college or university expenses (e.g., tuition, books, etc.) it has no impact on benefits. You can also receive money from a relative's RESP (such as an aunt or uncle) without your benefits being affected. But if an RESP is cashed out and not used for education, it will be treated like income and will have an effect on benefits.

- **Non-Economic Loss (NEL) awards.** Injured workers can now keep the NEL award they receive for permanent impairment under the workers' compensation scheme, up to a maximum amount of \$25,000 (OW) or \$100,000 (ODSP). **Note:** These maximums apply to the combined total of all awards, NEL, *Family Law Act*, and pain and suffering, arising from the **same** incident.
- **Damage awards for loss of care, guidance and companionship of a spouse or parent under the *Family Law Act*.** Families who lose a spouse or parent, and get damages for loss of care, guidance or companionship from a court, can now keep these awards up to a maximum amount of \$25,000 (OW) or \$100,000 (ODSP). **See note above.**
- **Personal loans, grants or awards for educational or training purposes.** The new rules allow you and your dependents to receive loans, grants and awards from a broader range of sources without affecting your benefits, if approved by Social Services. Loans, grants and awards can now also be put towards training, as well as education. Only the part of the loan, grant and award that is received to pay for tuition, books, fees and other education or training-related expenses will be exempted. The part of the loan, grant or award received for living expenses is not exempt, and will be treated as an asset or income.

- **Insurance Payments.** Insurance payments made for loss or damage due to flood, fire, theft, etc. are not treated as income or assets if they are made for temporary living expenses or to replace damaged assets. But payments made for loss of income are not exempt and will be treated as income and as an asset.

The following will not be treated as income or assets under ODSP *only*:

- **Gifts totaling up to \$5,000 a year.** ODSP recipients and their dependents can each receive gifts totaling \$5,000 in a given year. Under the old rules, the limit was \$4,000. Gifts or contributions to an RESP do not fall under this rule, and do not count towards the \$5,000 limit.

The following will no longer be treated as assets under OW/ODSP, and will have no effect on benefits:

- **Earnings of dependent children.** Under the old rules, children could have earnings from a job without having it affect the family's benefits, but they could not save the money because the savings would be treated as an asset. Children of social assistance recipients will now be able to save the money they earn from a job, without having it treated as an asset and without having it affect the family's benefits.

The following will no longer be treated as income under OW/ODSP and will have no effect on benefits:

- **Grants or loans for home and vehicle modification.** If you get a loan or grant through the Residential Rehabilitation Program or the Home and Vehicle Modification Program, it will no longer be treated as income. Under the old regulations, such loans were treated as income.

BENEFIT ENTITLEMENT

The OW/ODSP rules around benefits have changed for these situations:

- **Sponsored immigrants.** There are no longer automatic deductions for sponsored immigrants. The \$100 deduction for sponsored immigrants living separate from their sponsors, and the automatic deduction of the shelter portion for immigrants living with their sponsors, have been eliminated. Immigrants living with their sponsors can get assistance for shelter, if they show a legal obligation to contribute to shelter (e.g., their name is on a lease or mortgage, a property tax bill, utility bill, etc.) or they satisfy the Administrator/Director that they must pay rent to their sponsor in order to stay in the home.
- **Women living in Shelters.** Women who leave violent situations and temporarily live in shelters for abused women are now eligible for shelter and basic needs allowances if they are trying to keep their housing in the community. The allowance will be granted for 3 months, and social services may extend it for a longer period. Maintaining the right to return home does not mean a woman is expected to return to an abusive relationship. If a woman does not assert her right to keep her housing, she and her children will get only \$116 each per month while living at the shelter. When she finds other accommodation, she will be eligible for a shelter allowance and possibly the CSUMB.

- **Drug cards.** Drug cards will no longer be suspended for recipients with serious illness or health condition if they are not participating in employment assistance programs.
- **Liens.** People will no longer have to consent to liens on their residence or land in order to be entitled to benefits. Existing liens will be discharged, but only at the request of the recipient.
- **Eligibility Date.** OW recipients are entitled to benefits back to the date they completed the first stage (financial eligibility portion) of the application.
- **Energy Conservation.** OW and ODSP recipients can now get help to pay for low-cost energy conservation measures (e.g., caulking, sealing, weatherstripping around doors and windows, insulating pipes, etc.). These benefits are paid at the discretion of social services.
- **Back-to-school and Winter Clothing Allowances:** In the past, a back-to-school allowance was payable only in July (ODSP) or August (OW), and a winter clothing allowance only in October (ODSP) or November (OW). The new regulations allow social services to pay a back-to-school allowance any time from July-December (ODSP) or August-December (OW). A winter clothing allowance can be paid any time from October-December (ODSP), or November-December (OW).
- **Community Start-Up and Maintenance Benefit (CSUMB).** This replaces the former Community Start-Up Benefit (CSUB). You are eligible for a CSUMB if you need to move, pay rent arrears in order to avoid being evicted, or pay utility arrears or reconnection fees. Unless there are exceptional circumstances, recipients can get the maximum CSUMB amount only once in a 24 month period, rather than once in a 12 month period (as was the case with the CSUB).
- **Extended Health Benefits:** OW recipients may still receive extended health benefits, even if they are no longer entitled to financial assistance, if they have high health costs. If a recipient has income from other sources that makes them financially ineligible for OW benefits, they can still get extended health care benefits (e.g., dental & vision care for dependent children, diabetic supplies, etc.) in the month after they go off benefits.

ODSP APPLICATIONS AND APPEALS

- **ODSP Forms.** The Activities of Daily Living Form can now be completed by Social Workers, Speech Language Pathologists and Registered Nurses. In the past, only physicians, psychologists, optometrists/ophthamologists, occupational therapists, physiotherapists, registered nurses (extended class), chiropractors or audiologists could complete this form.
- **New Medical Evidence for the Internal Review.** If a person sends new information about their condition at the time of the Director's decision on whether or not they are eligible for ODSP, ODSP must consider the new information during the internal review.
- **New Medical Evidence on appeal to the Social Benefits Tribunal (SBT).** The tribunal must consider new medical evidence about an existing condition if it is sent to the SBT and ODSP at least 30 days before the hearing date. Prior to the changes, new medical evidence could be

provided up to 20 days before the hearing date so you now have 10 fewer days to submit new medical evidence to support your application.

For a complete text of the regulations, consult the Ontario Gazette of January 1, 2005, at the following web address:
[http://www.ontariogazette.gov.on.ca/mbs/Gazette/Gazette.nsf/Main/4026EE333CB4047D85256F7B005CA330/\\$FILE/138-01.pdf](http://www.ontariogazette.gov.on.ca/mbs/Gazette/Gazette.nsf/Main/4026EE333CB4047D85256F7B005CA330/$FILE/138-01.pdf)

For the ODSP policies, consult:
<http://www.cfcs.gov.on.ca/CFCS/en/programs/IES/OntarioDisabilitySupportProgram/Publications/odspisdir.htm>

For the OW policies, consult:
<http://www.cfcs.gov.on.ca/CFCS/en/programs/IES/OntarioWorks/Publications/ow-policydirectives.htm>