

Legislative
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of Ontario



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de l'Ontario

STANDING COMMITTEE ON PUBLIC ACCOUNTS

ONTARIO DISABILITY SUPPORT PROGRAM

(SECTION 3.09, 2019 ANNUAL REPORT OF THE OFFICE OF THE AUDITOR
GENERAL OF ONTARIO)

1st Session, 42nd Parliament
70 Elizabeth II

ISBN 978-1-4868-5197-3 (Print)
ISBN 978-1-4868-5199-7 [English] (PDF)
ISBN 978-1-4868-5201-7 [French] (PDF)
ISBN 978-1-4868-5198-0 [English] (HTML)
ISBN 978-1-4868-5200-0 [French] (HTML)

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The Honourable Ted Arnott, MPP
Speaker of the Legislative Assembly

Sir,

Your Standing Committee on Public Accounts has the honour to present its Report and commends it to the House.

A handwritten signature in blue ink, appearing to read "Taras Natyshak".

Taras Natyshak, MPP
Chair of the Committee

Queen's Park
April 2021

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1st Session, 42nd Parliament
(as of February 17, 2021)

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*STAN CHO (Willowdale) was replaced by RUDY CUZZETTO on February 16, 2021.

*CATHERINE FIFE was replaced by TARAS NATYSHAK on February 16, 2021.

LISA GRETZKY and JEREMY ROBERTS regularly served as substitute members of
the Committee.

CHRISTOPHER TYRELL
Clerk of the Committee

LAURA ANTHONY
Research Officer

STANDING COMMITTEE ON PUBLIC ACCOUNTS
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1st Session, 42nd Parliament
(November 4, 2020 – February 16, 2021)

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INTRODUCTION

On November 4, 2020, the Standing Committee on Public Accounts held public hearings on the audit of the Ontario Disability Support Program (Section 3.09, *2019 Annual Report of the Auditor General of Ontario*), administered by the Ministry of Children, Community and Social Services.

The Committee endorses the Auditor's findings and recommendations, and presents its own findings, views, and recommendations in this report. The Committee requests that the Ministry provide the Clerk of the Committee with written responses to the recommendations within 120 calendar days of the tabling of this report with the Speaker of the Legislative Assembly, unless otherwise specified.

ACKNOWLEDGEMENTS

The Committee extends its appreciation to officials from the Ministry of the Children, Community and Social Services. The Committee also acknowledges the assistance provided during the hearings and report-writing deliberations by the Office of the Auditor General, the Clerk of the Committee, and staff in Legislative Research.

OVERVIEW

The Ontario Disability Support Program (ODSP) is a social assistance program under the Ministry of Children, Community and Social Services (Ministry) created to meet the unique needs of people with disabilities who are in financial need. The program provides income support, including health and other benefits. An employment-support program is also available for ODSP recipients to help them prepare for, obtain, or maintain employment. In 2018/19, the Ministry provided ODSP income support to more than 510,000 individuals including recipients and their qualifying family members.

The Ministry provides income support to eligible recipients to help cover the costs of their shelter and basic needs including food, clothing and other necessary personal items. Recipients are provided a flat rate for basic needs and funding for shelter is paid based on the expenditures incurred, up to the maximum shelter allowance available. In addition to income support for basic needs and shelter, applicants may qualify for additional assistance, such as the special diet allowance, pregnancy or breast-feeding nutritional allowance, and a remote communities allowance.

Eligibility

To be eligible for ODSP income support, applicants must first demonstrate financial need by providing evidence that their assets and income levels do not exceed specified amounts. Applicants whose income and assets do not exceed these limits are then assessed to determine whether they have a medical condition that meets the definition of a disability under the *Ontario Disability Support Program Act, 1997* (ODSP Act), or qualify as a member of a prescribed

class, such as individuals who are 65 years old or over and ineligible for Old Age Security. An applicant must also live in Ontario, and be a Canadian citizen or be legally entitled to reside in Canada permanently.

Disability Determination Adjudicators (adjudicators) in the Adjudication Unit are responsible for determining if, based on the information provided in the disability determination package, the applicant meets the definition of a “person with a disability” under the ODSP Act.

Governance

The Ministry of Children, Community and Social Services delivers ODSP directly through its frontline staff in 47 local offices. The Ministry also contracts with approximately 150 service providers to deliver ODSP employment supports across the province.

ODSP is governed by the *Ontario Disability Support Program Act, 1997* (ODSP Act) and its regulations.

Costs

Since the Auditor General’s 2008/09 audit of ODSP, the cost of the program has increased by approximately 75%, from \$3.1 billion annually to approximately \$5.4 billion in 2018/19.

The audit report explained that a significant contributing factor to the program’s rising cost is the increase in the number of individuals and families receiving ODSP.

The audit report identified reasons for the ODSP cost increase since the Auditor’s 2008/09 audit including the following:

- a 50% increase in the number of recipients and beneficiaries;
- income support rate increases over this period of time; and
- an increase in the percentage of income support costs payable solely by the province from 80% in 2008 to 100% in 2011 (the change had already been identified and was set to take place at the time of the last audit; previously, municipalities had covered a percentage of the program costs).

Modernizing Social Assistance

In 2018 the Government announced it would be reforming social assistance in Ontario with the aim of making social assistance sustainable and redesigning ODSP and Ontario Works to provide people with more effective and efficient support.

2019 AUDIT OBJECTIVE AND SCOPE

This audit assessed whether there are effective systems and processes in place to ensure only eligible recipients, according to legislation and policy

requirements, receive income support; that employment supports provided are appropriate to needs; and that the program is measured for effectiveness and results are reported publicly.

MAIN POINTS OF AUDIT

The audit report concluded that the Ministry of Children, Community and Social Services does not have effective systems and procedures in place to ensure that only eligible recipients receive income support and that recipients are receiving the employment supports they need. The audit found that the Ministry was not taking sufficient steps to ensure that all recipients continue to be eligible for the program, and that non-disabled adults are not participating in required Ontario Works employment assistance activities. Further, the audit report concluded that the Ministry does not have effective processes and systems in place to measure, evaluate and publicly report on the effectiveness of the Ontario Disability Support Program.

In particular, the audit found:

- 2.5% of Ontarians are ODSP recipients—the highest rate among all Canadian provinces;
- since 2009/10 the Ministry has overpaid recipients nearly \$1.1 billion and written off approximately \$400 million in overpayments;
- the Ministry does not currently have a quality assurance process to assess the appropriateness of disability approval decisions, and decisions on whether to assign a medical review date; and, the rationales for these decisions were not always sufficiently detailed or clear;
- the employment outcomes of ODSP recipients are not improving—fewer than 2% of disabled adults are referred annually to the Ministry's employment supports, and most dependent family members who are not disabled are not participating in mandatory employment assistance activities;
- caseworkers often do not complete required third-party checks to confirm applicants are financially eligible for ODSP;
- over 40% of ODSP applicants are confirmed to be disabled after a cursory review of their application, representing a 56% increase from the time of the last audit;
- ineligible recipients are likely to remain on ODSP because caseworkers rarely assess recipients' ongoing eligibility, which can lead to overpayments; and
- the Ministry has no process to assess the appropriateness of disability approval decisions, despite significant differences between adjudicators.

ISSUES RAISED IN THE AUDIT AND BEFORE THE COMMITTEE

A number of issues were raised in the audit and before the Committee. The Committee considers the following issues to be of particular importance.

The Committee heard about the ongoing transformation of social assistance in Ontario to a more responsive, efficient and person-centred social assistance system. The Ministry explained that this transformation is fundamentally changing how ODSP delivers service by centralizing, modernizing and automating processes to provide better client services.

The Ministry told the Committee that the Employment Services Transformation, led by the Ministry of Labour, Training and Skills Development, establishes a new service delivery model that integrates ODSP, employment supports, and all other government employment services into one system. The new model will be supported by a new tool to assess ODSP recipient needs and improved case management system functionality to support the monitoring of client progress. This system will enable frontline staff to focus on providing better and more relevant support, help people gain employment, and improve the integrity of the program.

The Ministry added that many of the audit's recommendations have been incorporated into the transformation plans including: strengthening program oversight by modernizing and automating tools and processes used to monitor program eligibility. Plans also include centralizing and automating certain administrative functions to address the audit's concerns regarding the volume of frontline staff work.

The Ministry noted that the COVID-19 pandemic has provided many lessons. The pandemic has accelerated technological advancements for ODSP systems and applications as well as streamlined interactions between employees and clients. For example, the Ministry is finalizing an agreement with the federal government to permit digital signatures (the Ministry requires a signature on all ODSP application documents). The Ministry noted that while there has been a slight decrease in the total number of active ODSP cases as individuals impacted by the pandemic receive federal pandemic-related assistance (i.e., Canadian Emergency Response Benefit), it is preparing for a potential surge of new cases if the federal government reduces its COVID-related income supports.

The Committee expressed concern about the Ministry's progress in implementing or addressing recommendations from previous audits, pointing to the most recent audit finding of little to no progress on many recommendations since the 2008/09 audit. The Committee said that improved progress reports may be useful. The Ministry noted that it provides quarterly updates within the government on progress in implementing the Auditor General's recommendations. The Ministry completes an implementation status update each quarter, as requested by the Ontario Internal Audit Division (part of Treasury Board Secretariat), which is provided to the Audit and Accountability Committee. The Ministry proposed continuing with the existing process, to avoid duplication and to promote the effective use of resources.

ODSP Caseload Growth

The audit found that since 2008/09, the average annual number of ODSP cases has increased by 50% from approximately 247,500 in 2008/09 to 370,700 in 2018/19. The audit report stated that this increase in case numbers is one of the contributing factors to the 75% increase in program costs in the last ten years. The audit found that 2.5% of Ontarians are ODSP recipients—the highest rate among all Canadian provinces.

The Committee asked several questions about provincial differences in caseload and why Ontario has the highest proportion of its population on ODSP. The Ministry said that the reasons for the ODSP's increased caseload are complex and depend on a number of factors including the employment rate. The provincial differences are related to various program constructs which vary in other jurisdictions, such as rate structures, income thresholds, and the definition of disability. The Ministry suggested that Ontario's proportion of cases may be higher due to Ontario's rate structure that allows for individuals earning income to still be eligible for ODSP and Ontario's definition of "disability" which includes a temporary period of disability as a legitimate cause. The Ministry said it has begun research to examine the drivers of caseload increases.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 1. The Ministry of Children, Community and Social Services should**
 - a) determine and evaluate which ODSP policies and procedures and economic and social factors have led to ODSP caseload growth in Ontario; and**
 - b) explore measures to reduce and/or eliminate the ODSP practices and procedures which have led to increased ODSP caseload growth (non-compliant with legislation and regulation), so that only individuals who are eligible for ODSP receive benefits from the program.**

Financial Eligibility

The audit sampled files and found that at three of four offices visited, caseworkers did not carry out one or more of the mandatory Equifax or CRA checks for the majority of files the Auditor's Office reviewed. These checks are used to verify accuracy and completeness of information provided by applicants regarding their income and assets.

The Ministry told the Committee it is strengthening the oversight of programs by centralizing and automating the tools and processes used to monitor program eligibility. The automation process includes the use of proprietary data sources, such as electronic identity verification, as well as other government sources, such as those from the Canada Revenue Agency, to corroborate the information provided by an applicant against third-party data. This process will ensure third-party verifications are occurring on all applications and support consistent decision-making.

The Ministry explained that third-party information is critical to ensuring the integrity of programs and that it is improving practices and investing in new partnerships. For example, it is partnering with the Ministry of Labour, Training and Skills Development for OSAP data, and Immigration, Refugees and Citizenship Canada for immigration status data. The Ministry is creating a new Social Assistance Digital Application to improve the use of third-party information, with an expected completion date of March 2022.

The Ministry said it has started to improve the use of third-party information through staff training and is testing a benefit income data exchange report with Service Canada. It is reviewing Ministry data on cases without Social Insurance Numbers to identify those requiring further review and follow-up with clients. The Ministry has also established a working group to address the transfer of ineligible Ontario Works recipients to ODSP and reinforced the requirement that Ontario Works undertake third party checks as part of its 2020/21 service planning priorities.

The Auditor General stressed that the Ministry should verify that individuals transferring from Ontario Works to ODSP are financially eligible to receive ODSP benefits.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 2. The Ministry of Children, Community and Social Services, in order to ensure that the ODSP financial eligibility process is carried out in accordance with provincial legislation and policy, should**
 - a) strengthen third-party information sharing to streamline and automate the financial eligibility verification process as much as possible;**
 - b) monitor and track instances where caseworkers are not adequately completing the financial eligibility process;**
 - c) provide mandatory and regular training for caseworkers on third-party data sources and how to identify discrepancies; and**
 - d) review information in the Social Assistance Management System and ensure information is regularly maintained and up-to-date.**

- 3. The Ministry of Children, Community and Social Services should improve the financial eligibility process of clients transferring from Ontario Works to ODSP by**
 - a) providing clear directives and communication to municipalities and staff administering Ontario Works regarding their responsibilities for performing third-party checks prior to transferring recipients to ODSP, and ODSP**

caseworker responsibilities in instances where these checks have not been performed; and

- b) monitoring Ontario Works caseworkers' compliance with completing financial eligibility requirements and putting accountability measures into place in instances of non-compliance.**

Adjudication Process

The audit found the number of new ODSP applications approved as meeting the definition of a person with a disability increased from 48% in 2008/09 to 59% in 2018/19. This was primarily due to an increase (56%) of new applications approved after a cursory review at the triage stage of adjudication, from 27% in 2008/09 to 42% in 2018/19. The audit also found that

- the Ministry has not analyzed the reasons for differences between adjudicator approval rates;
- adjudicators' rationale for rejecting applications was clear, whereas the reasons for approving an application were less detailed; and
- the Ministry does not record basic information of health-care professionals who complete disability applications in its information systems.

The Ministry told the Committee it is strengthening the adjudication process. The Ministry recently updated and consolidated the adjudication handbook with updated information on medical conditions and treatment. It also updated the triage guidelines to provide guidance on documenting the rationale behind adjudication decisions. Further, the Ministry developed an adjudication quality assurance process and a process to monitor and investigate significant differences in outcome rates among adjudicators.

The Committee asked what steps the Ministry is taking to address the audit finding that health care professionals complete an unusual number of disability applications. The Ministry explained it is exploring a digital disability application process to capture more information and add rigour to the application process. This process would enable the Ministry to ascertain which doctors or health care professionals are filling out applications, maintain a log, and enable the Ministry to run analytics to identify health care professionals completing the forms.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 4. The Ministry of Children, Community and Social Services should strengthen the adjudication process by**
 - a) evaluating the number of disability application reviews it expects its triage adjudicators to complete and reassessing the target, if necessary;**

- b) monitoring trends and differences in the rates that adjudicators approve applicants as disabled and take steps to facilitate corrective actions where differences are determined to be unreasonable; and**
 - c) implementing a formal process and adequate information tracking for adjudicators' rationales for accepting or rejecting applications and review the appropriateness of decisions to approve and reject applicants as disabled.**
- 5. The Ministry of Children, Community and Social Services should update the Ministry's handbook and triage guidelines on a regular basis to reflect current medical information.**
- 6. The Ministry of Children, Community and Social Services should**
 - a) record information about health care professionals who complete disability applications in its IT system and monitor any discrepancies; and**
 - b) review, assess and address the appropriateness of applications completed by physicians who complete an atypical number of disability applications.**

Medical Reviews

The Ministry requires medical adjudicators to assign approved applicants a medical review date of either two to five years unless the adjudicator is satisfied the individual's impairment is not likely to improve. The audit found that

- In the triage stage of the application, 92% of approved applicants were not assigned a medical review date by the adjudicator and deemed disabled for life.
- The Ministry requires more documentation if an adjudicator assigns a medical review than it does when the adjudicator decides no medical review is required.
- At the triage and regular stages of adjudication, in over 40% of cases reviewed where a medical review was not required, the file did not contain an explanation of how the adjudicator determined the applicant's condition, impairments, and restrictions were unlikely to improve and that no medical review was required.

The Committee asked several questions about the medical review process. It heard that there are a number of conditions and situations, including current medical standards, improvements in medications, and social concerns, which are taken into consideration before a medical review is appointed to a case. The Ministry noted adjudicators focus on conditions specific to an individual's case that may keep them on ODSP for a longer period.

The Committee asked if the application of the medical standards is effective. The Ministry acknowledged that while it can always improve, it is generally satisfied with the way the process works. The Ministry repeatedly emphasized its confidence in the medical adjudicators' knowledge and experience as health care professionals. It noted recent improvements to quality assurance standards and that the handbook to support adjudicators' determinations had been updated.

The Ministry added that the medical standards and guidelines are now reviewed annually. It has convened a number of adjudication teams across divisions (policy, medical advisory, adjudicators) to ensure it continues to adjudicate files with integrity and rigour. The Ministry has reviewed the ODSP Adjudication Framework to ensure that it aligns with the ODSP regulation requiring adjudicators to set a medical review date, unless an ODSP recipient's condition is unlikely to improve.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 7. The Ministry of Children, Community and Social Services should strengthen the medical review process by**
 - a) analyzing the increase in the proportion of cases it does not assign a medical review by disability type and assess whether the increase is reasonable, and if not, action change;**
 - b) reviewing and updating the requirements for obtaining evidence in support of medical review decisions and adequately documenting the rationale; and**
 - c) regularly updating the Adjudication Framework with up-to-date policies and practices.**

Decisions Overturned by Social Benefits Tribunal

The audit found that the Social Benefits Tribunal continues to overturn about 60% of the Ministry's decisions appealed to the Tribunal (about the same percentage as in 2008/09). The audit also found that the Ministry's case presenting officers appeared for just 16% of hearings in the last 10 years to provide the Ministry's rationale for its decision. Since the 2008/09 audit the Ministry has attempted to reduce the number of its decisions overturned by the Tribunal by providing additional training to adjudicators and updating its adjudication framework to increase the consistency of decision-making. The audit report concluded that these efforts have been ineffective.

The Committee asked the Ministry why case presenting officers would not attend a hearing. The Ministry explained that case presenting officers often have competing priorities, which may result in a missed hearing. However, the Ministry noted this does not mean it does not provide case specific information for the eligibility hearing. When a case presenting officer cannot be physically present, they provide a written submission to the Tribunal. In 2019 there were 4,200 hearings; case presenting officers were physically present for just under 1,900 of the hearings.

The Ministry stated that the Social Benefits Tribunal has several internal institutional processes in place to ensure fair and just decisions, consistent with the *Ontario Disabilities Support Program Act, 1997*. It also noted that it will complete a review by March 2021 on the high overturn rate of the Ministry's decisions at the Tribunal.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 8. The Ministry of Children, Community and Social Services, along with the Social Benefits Tribunal, should work together to**
 - a) review the impact of Ministry attendance on the outcome of Social Benefits Tribunal hearings and determine the optimal number of hearings caseworkers should attend;**
 - b) evaluate the Ministry's written submissions to the Social Benefits Tribunal when caseworkers are absent from hearings to determine if the submissions could be improved;**
 - c) review whether the high overturn of Ministry decisions at the Social Benefits Tribunal could be reduced;**
 - d) explore best practices and alternate models for appeals in other jurisdictions for lessons to enhance consistency in disability decision making between the Ministry and the appeals body; and**
 - e) jointly provide the government with sufficient information to make a decision on system/appeal process improvements.**

Eligibility Verification Process for Ineligible Recipients

The Ministry expects caseworkers to review and update recipients' application information on an ongoing basis to identify any changes in financial or other circumstances that may affect their eligibility or the amount of income support received. The audit selected a sample of recipient cases and found that 58% to 100% of the files with recipients' application information had not been updated for at least five years. Further, the Ministry only performed 1.6% of the eligibility verification reviews it should have performed based on its directives. The audit found a backlog of approximately 42,000 fraud allegations that had not been assessed within the Ministry's required time frame of 15 business days – 60% of these allegations were over a year old.

The Committee heard that the Ministry's eligibility verification process (EVP) manages the risks inherent with ongoing eligibility and uses consumer credit information and tax data to identify high-risk cases for eligibility reviews.

The Committee asked the Ministry to commit to prioritizing a review of the eligibility verification process to ensure that funds are delivered effectively and that sufficient controls are implemented. The Ministry confirmed that this is a priority and stated it is improving its oversight of the EVP by adopting a risk-

based approach to identify high-risk cases for review to determine and monitor eligibility. It has also centralized the review process away from frontline local offices. As of August 2020, the Ministry had cleared the backlog of approximately 2,400 outstanding ODSP reviews. The Ministry indicated it will develop expectations for staff communication with clients and will assess the optimal number of case reviews to be completed.

The Committee asked several questions regarding fraudulent activity. The Ministry explained that while it does receive a number of fraud allegations (just over 47,000 in 2019/20), the majority are unsubstantiated. Cases that require investigation for non-fraud overpayments are mostly because information has not been forthcoming in a timely manner. Fraud allegations are made through the welfare fraud hotline (a public line through which anyone can submit an allegation), information-sharing agreements with third parties (e.g., other provinces), or local offices. The Ministry uses a triage process to assess allegations and identify the most serious. In 2019/20, the Ministry terminated or reduced assistance in about 22,000 cases due to fraud or overpayment. There were no eligibility changes for approximately 38,000 cases. Fewer than 50 cases were referred to the police, which resulted in 26 convictions.

Every two months, the Ministry identifies 1% of the caseload that is highest risk based on an algorithm of multiple risk factors, such as conditions within a case that signal potential change that could impact eligibility, information sharing with third-party sources (e.g., Equifax or OSAP), and data on people who have passed away. The cases selected for review are followed up and the Ministry makes a determination around eligibility: 60% of reviewed cases resulted in a change in eligibility and/or the identification of an underpayment or overpayment. The Ministry plans to centralize this work away from the front lines and allow caseworkers to focus on value-added work with their clients.

The Ministry explained that while few overpayments are due to fraud, it agrees with the Auditor General's recommendation to improve its investigation into allegations in a timely manner. To improve its response the Ministry has enhanced its investigation capacity by hiring more people to focus on fraud allegations and centralized fraud investigations. The Ministry has also initiated a review of the fraud allegation process to identify opportunities to improve efficiencies.

The Committee asked how the Ministry tracks progress correcting problems such as overpayment or underpayment. The Ministry explained that overpayments are complicated, and most occur because recipients have not reported changes in their personal circumstances. The challenge with collecting overpayment is that when the Ministry identifies the overpayment, the money has already been spent by the client. Requiring the client to pay back the overpayment would put them at a disadvantage. In this case, the Ministry can apply recovery rates to be repaid but not disadvantage the client in a significant way.

The Ministry stated it has made it easier for clients to report their changes and for workers to quickly detect when changes occur through an online service channel, MyBenefits. As of October 2020, there were 344,000 users of MyBenefits. The Ministry noted that additional digital tools will be implemented, including an easy-to-use online application and two-way messaging to support client-caseworker communications.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 9. The Ministry of Children, Community and Social Services, in order to ensure only eligible recipients continue to receive ODSP benefits, should**
 - a) require proactive communication between caseworkers and clients;**
 - b) establish a risk-based timeframe for ODSP caseworkers to review the ongoing eligibility of all ODSP recipients;**
 - c) conduct eligibility reviews in accordance with the risk-based timeframe to avoid creating a backlog of cases; and**
 - d) determine the optimal number of eligibility verification reviews the Ministry should complete on an annual basis in order to ensure entitlement and fairness in the provisions of ODSP funds.**

- 10. The Ministry of Children, Community and Social Services, in order to strengthen the eligibility verification process, should**
 - a) enhance its system and processes to confirm the causes that lead to undetected changes in recipients' financial eligibility and share findings with caseworkers;**
 - b) take action to address and reduce the causes that lead to undetected changes in recipients' financial eligibility; and**
 - c) explore measures to increase uptake of MyBenefits for clients to report changes in personal circumstances.**

- 11. The Ministry of Children, Community and Social Services, in order to reduce unintentional overpayments to ineligible recipients and intentional fraud by ineligible recipients, should**
 - a) enhance its systems and processes to determine and record the cause of overpayments and take action to reduce the total number; and**
 - b) explore additional measures to reduce the number of undetected eligibility changes or instances of intentional fraud.**

- 12. The Ministry of Children, Community and Social Services should complete medical reviews on a timely basis.**

Non-disabled Adults Employment Assistance Activities

Non-disabled adults in family units receiving ODSP benefits are required to participate in Ontario Works employment assistance activities, unless they have been granted a waiver by their caseworker from doing so. The audit found that 43,000 (75%) of non-disabled adults in the program were not participating in employment assistance activities even though their requirement to do so had not been waived. The audit also included a review of a sample of files with non-disabled adults who were not participating in employment assistance activities and determined that in almost all cases they either should have been participating or there was insufficient documentation to support why they were not.

The Committee asked about the Ministry's progress in improving supports for non-disabled adults on ODSP who might benefit from Ontario Works employment readiness programs. The Ministry acknowledged it was not achieving sufficient program uptake. It explained that the new Employment Ontario system will integrate all of the existing employment support programs into a more sophisticated system; previously, Ontario Works and ODSP had different systems for their clients. The Ministry said it is working very closely with the Ministry of Labour to ensure that the Ministry meets client needs and that the program will incent its clients to use employment supports.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 13. The Ministry of Children, Community and Social Services, to improve the employment outcomes of non-disabled adults on the Ontario Disability Support Program, should**
 - a) review its process for adult dependent referrals to Ontario Works employment assistance to improve their ability to obtain timely employment;**
 - b) monitor whether all adult dependents have been referred to Ontario Works employment assistance or have a valid waiver in place; and**
 - c) put in place mechanisms to confirm that local ODSP offices, managers, and caseworkers comply with legislative and policy requirements for ODSP and employment support programs.**

Large Caseloads Impact Caseworkers

The audit found that the Ministry has not established benchmarks for ODSP caseworker caseloads to ensure that they are able to meet their obligations and to execute their responsibilities efficiently and effectively. In 2009, the average caseload was 266 recipient cases whereas in 2018/19, the average caseload was 323 recipient cases.

The Committee asked what changes the Ministry had undertaken to address caseworkers' workloads since the audit. The Committee heard that beginning in April 2020 measures to address this issue were incorporated in the implementation of Employment Services Transformation. These changes will support caseworkers in shifting away from administering benefits toward providing higher-impact case management supports to improve client outcomes and life stabilization. For example, the Ministry has focused on automation as a means of addressing the issue of unnecessary administrative work. The new automated intake process will be risk based, so that intake for low risk cases, once verified, will be automated, quickly rendering a decision that will be checked against risk, thereby reducing the administrative work for caseworkers. The Ministry described the use of technology and automation to solve this problem as a novel approach. Previously, the Ministry would have attempted to address the high caseload by adding more caseworkers, acknowledging that this approach was costly and inadequate.

The Committee heard that the Ministry has reduced the target for the daily number of ODSP applications adjudicators are meant to review from 20 to 25 per day to 13 to 16. These changes were a result of a review of the adjudication process. Further, the turnaround time for approving disability adjudication cases has been reduced from 90 days to under 40 days. The Ministry identified a number of time-saving efficiencies for adjudicators, including quicker reviews at the pre-triage and triage stage as a result of the introduction of the updated handbook and digital tools, as well as implementing a group approach to adjudicate some files to make more timely decisions. The Ministry is exploring further time-saving measures, such as reaching out to health care professionals upfront, which may reduce the need for ongoing internal reviews.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

14. The Ministry of Children, Community and Social Services, in order to effectively manage staffing caseloads, should

- a) identify and implement measures to improve the efficiency and effectiveness of caseworkers' work and enable caseworkers to spend more time on high-impact client work; and**
- b) take steps to reduce inefficiencies.**

ODSP Recipients and Employment Supports Program

The ODSP employment supports program assists people with disabilities to increase their economic independence through employment. The audit found that between 2012/13 and 2018/19, only 2% of recipients participated in the program.

Further, the audit found that the Ministry has not assessed and does not know how many individuals on the ODSP caseload could benefit from participating in employment support activities.

The Committee asked what progress the Ministry has made in increasing the number of ODSP recipients referred to employment supports. The Ministry explained it works closely with other ministries who have responsibility for accessibility because having access to workplaces is often a barrier for people with disabilities. The Ministry indicated it will prioritize building the capacity of the Ontario Works system and focus on life stabilization by identifying barriers for people with disabilities and helping them address those barriers.

The Ministry said that during the COVID-19 pandemic it has learned a lot about accessibility and access to employment that it previously failed to consider. For example, people with physical disabilities who are employed have benefited from working remotely through the pandemic. This has reoriented the Ministry's focus from making the employment site barrier-free to removing workplace barriers by encouraging remote work.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

15. The Ministry of Children, Community and Social Services, in order to ensure employment support programs benefit ODSP recipients, should

- a) regularly assess the needs of the population of ODSP recipients and identify those who may benefit from appropriate employment supports;**
- b) regularly provide the information on employment supports to those ODSP recipients who may benefit from them; and**
- c) track and analyze the employment outcomes by employment service provider (for-profit and non-profit) and monitor if ODSP recipients receive long-term employment.**

16. The Ministry of Children, Community and Social Services should work with the Ministry of Labour, Training and Skills Development to put in place processes that prevent payment to two different service providers for the same employment outcomes.

ODSP Outcome Indicators and Targets

The audit found that the Ministry has not determined desired outcomes for the ODSP and its recipients or developed measures to determine whether outcomes are met.

The Ministry told the Committee it will implement an outcomes framework that will establish clear expectations and targets for Ontario Works and ODSP recipients by March 2022. The Ministry indicated it will also establish a timeline and process to begin public reporting on the effectiveness of the ODSP program.

The Committee stressed that it is important to evaluate the outcomes of a program. For instance, in the case of ODSP, a successful outcome could likely be ensuring people who require ODSP receive it. As well, it is important that

ODSP provides recipients the assistance they need to help address barriers in their daily lives.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 17. The Ministry of Children, Community and Social Services, in order to make informed and publicly transparent decisions using outcome-based information, should**
- a) design and implement performance indicators and targets for the program and recipient outcomes;**
 - b) regularly monitor the performance of the program against performance metrics; and**
 - c) report publicly on program performance against performance metrics.**

CONSOLIDATED LIST OF COMMITTEE RECOMMENDATIONS

- 1. The Ministry of Children, Community and Social Services should**
 - a) determine and evaluate which ODSP policies and procedures and economic and social factors have led to ODSP caseload growth in Ontario; and**
 - b) explore measures to reduce and/or eliminate the ODSP practices and procedures which have led to increased ODSP caseload growth, (non-compliant with legislation and regulation), so that only individuals who are eligible for ODSP receive benefits from the program.**
- 2. The Ministry of Children, Community and Social Services, in order to ensure that the ODSP financial eligibility process is carried out in accordance with provincial legislation and policy, should**
 - a) strengthen third-party information sharing to streamline and automate the financial eligibility verification process as much as possible;**
 - b) monitor and track instances where caseworkers are not adequately completing the financial eligibility process;**
 - c) provide mandatory and regular training for caseworkers on third-party data sources and how to identify discrepancies; and**
 - d) review information in the Social Assistance Management System and ensure information is regularly maintained and up-to-date.**
- 3. The Ministry of Children, Community and Social Services should improve the financial eligibility process of clients transferring from Ontario Works to ODSP by**
 - a) providing clear directives and communication to municipalities and staff administering Ontario Works regarding their responsibilities for performing third-party checks prior to transferring recipients to ODSP, and ODSP caseworker responsibilities in instances where these checks have not been performed; and**
 - b) monitoring Ontario Works caseworkers' compliance with completing financial eligibility requirements and putting accountability measures into place in instances of non-compliance.**
- 4. The Ministry of Children, Community and Social Services should strengthen the adjudication process by**

- a) evaluating the number of disability application reviews it expects its triage adjudicators to complete and reassessing the target, if necessary;
 - b) monitoring trends and differences in the rates that adjudicators approve applicants as disabled and take steps to facilitate corrective actions where differences are determined to be unreasonable; and
 - c) implementing a formal process and adequate information tracking for adjudicators' rationales for accepting or rejecting applications and review the appropriateness of decisions to approve and reject applicants as disabled.
5. The Ministry of Children, Community and Social Services should update the Ministry's handbook and triage guidelines on a regular basis to reflect current medical information.
6. The Ministry of Children, Community and Social Services should
 - a) record information about health care professionals who complete disability applications in its IT system and monitor any discrepancies; and
 - b) review, assess and address the appropriateness of applications completed by physicians who complete an atypical number of disability applications.
7. The Ministry of Children, Community and Social Services should strengthen the medical review process by
 - a) analyzing the increase in the proportion of cases it does not assign a medical review by disability type and assess whether the increase is reasonable, and if not, action change;
 - b) reviewing and updating the requirements for obtaining evidence in support of medical review decisions and adequately documenting the rationale; and
 - c) regularly updating the Adjudication Framework with up-to-date policies and practices.
8. The Ministry of Children, Community and Social Services, along with the Social Benefits Tribunal, should work together to
 - a) review the impact of Ministry attendance on the outcome of Social Benefits Tribunal hearings and determine the optimal number of hearings caseworkers should attend;
 - b) evaluate the Ministry's written submissions to the Social Benefits Tribunal when caseworkers are absent from hearings to determine if the submissions could be improved;

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- c) review whether the high overturn of Ministry decisions at the Social Benefits Tribunal could be reduced;
 - d) explore best practices and alternate models for appeals in other jurisdictions for lessons to enhance consistency in disability decision making between the Ministry and the appeals body; and
 - e) jointly provide the government with sufficient information to make a decision on system/appeal process improvements.
9. The Ministry of Children, Community and Social Services, in order to ensure only eligible recipients continue to receive ODSP benefits, should
- a) require proactive communication between caseworkers and clients;
 - b) establish a risk-based timeframe for ODSP caseworkers to review the ongoing eligibility of all ODSP recipients;
 - c) conduct eligibility reviews in accordance with the risk-based timeframe to avoid creating a backlog of cases; and
 - d) determine the optimal number of eligibility verification reviews the Ministry should complete on an annual basis in order to ensure entitlement and fairness in the provisions of ODSP funds.
10. The Ministry of Children, Community and Social Services, in order to strengthen the eligibility verification process, should
- a) enhance its system and processes to confirm the causes that lead to undetected changes in recipients' financial eligibility and share findings with caseworkers;
 - b) take action to address and reduce the causes that lead to undetected changes in recipients' financial eligibility; and
 - c) explore measures to increase uptake of MyBenefits for clients to report changes in personal circumstances.
11. The Ministry of Children, Community and Social Services, in order to reduce unintentional overpayments to ineligible recipients and intentional fraud by ineligible recipients, should
- a) enhance its systems and processes to determine and record the cause of overpayments and take action to reduce the total number; and
 - b) explore additional measures to reduce the number of undetected eligibility changes or instances of intentional fraud.

- 12. The Ministry of Children, Community and Social Services should complete medical reviews on a timely basis.**
- 13. The Ministry of Children, Community and Social Services, to improve the employment outcomes of non-disabled adults on the Ontario Disability Support Program, should**
 - a) review its process for adult dependent referrals to Ontario Works employment assistance to improve their ability to obtain timely employment;**
 - b) monitor whether all adult dependents have been referred to Ontario Works employment assistance or have a valid waiver in place; and**
 - c) put in place mechanisms to confirm that local ODSP offices, managers, and caseworkers comply with legislative and policy requirements for ODSP and employment support programs.**
- 14. The Ministry of Children, Community and Social Services, in order to effectively manage staffing caseloads, should**
 - a) identify and implement measures to improve the efficiency and effectiveness of caseworkers' work and enable caseworkers to spend more time on high-impact client work; and**
 - b) take steps to reduce inefficiencies.**
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 - c) track and analyze the employment outcomes by employment service provider (for-profit and non-profit) and monitor if ODSP recipients receive long-term employment.**
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- 17. The Ministry of Children, Community and Social Services, in order to make informed and publicly transparent decisions using outcome-based information, should**

- a) design and implement performance indicators and targets for the program and recipient outcomes;**
- b) regularly monitor the performance of the program against performance metrics; and**
- c) report publicly on program performance against performance metrics.**