

## MEMORANDUM

TO: Community and Health Services Committee Members

FROM: Adelina Urbanski,  
Commissioner of Community and Health Services

DATE: March 10, 2010

RE: **Information on the Transition from the Ontario Disability Support Program at Age 65 to Federal Income Security Programs**

---

This memo provides information on the transition from the provincially funded Ontario Disability Support Program (ODSP) to federally funded income security programs when people with disabilities reach the age of 65, as requested by members of the Community and Health Services Committee.

The ODSP program is managed and delivered by the Ministry of Community and Social Services and it provides income and employment supports to eligible persons 18 years of age and older with disabilities. Eligibility is determined through a financial assessment (e.g. assets and income levels) and on determination of being a person with a disability as defined under the *Ontario Disability Support Program Act, 1997*. Individual circumstances vary and factors such as family composition, shelter costs, and income and assets are used to determine the monthly benefit amount paid up to a maximum rate as determined by the Act. An ongoing eligibility requirement for persons in receipt of ODSP is to pursue available income from all sources including the Canada Pension Plan (CPP), if eligible.

When a person in receipt of ODSP reaches the age of 65, he/she will be required to apply to the federal Old Age Security (OAS) program. Benefits under the *Old Age Security Act, 1985* include the Old Age Security Pension and the Guaranteed Income Supplement (GIS). The OAS pension is a monthly benefit available to most Canadians or legal residents of Canada 65 years of age or over who meet the residence requirements. An applicant's employment history and status (e.g. employed or retired) are not factors in determining eligibility.

A person over the age of 65 may also qualify to receive a monthly payment from the provincial Guaranteed Annual Income System (GAINS) in addition to the federal OAS and GIS. The eligibility for this monthly payment is determined automatically based on information received from the person's income tax claim. At age 65, drug coverage is also provided under the Ontario Drug Benefit program for seniors for persons with a valid Ontario Health Card.

If a person in receipt of ODSP qualifies for OAS, their new monthly income from OAS and other sources is reviewed to confirm ongoing eligibility for ODSP.

To illustrate the rate differential when a person turns 65, an example is provided of the maximum benefits for a single person with disabilities. The maximum ODSP benefit for a single person without dependents is \$1,042.00 per month. The total maximum monthly rate for OAS, GIS and GAINS is \$1,252.47. In this case, the federal income support exceeds the ODSP benefit by \$210.47 per month and the person may no longer be eligible for ODSP.

Prior to discontinuing the ODSP benefit due to increased income, as in the above example, an additional needs test is completed to assess if the person has high health costs. Where the person's health costs and ODSP benefit are higher than the federal income support, the person may still qualify to receive health benefits from ODSP (e.g. dental, vision and hearing). If the federal income support is higher than the ODSP benefit, including health costs, the person may no longer qualify for ODSP due to the increased income. The person may now be required to pay for some items that were once provided through the ODSP program. The increase in federal income support may also affect eligibility for other social programs (e.g. housing).

With respect to social housing in York Region, there are several buildings designated for seniors only. When a member of a household reaches the age of 60, the household qualifies for seniors' buildings. Seniors are also eligible to reside in buildings designated for families and singles. As a result, the wait time is generally much less for seniors than the wait time for non-seniors.

The issue of parity among income support programs has also been noted by the provincial and federal governments as well as advocates for income support. In both the provincial *Poverty Reduction Strategy*, and the House of Commons Senate report, *In from the Margins: A Call to Action on Poverty, Housing and Homelessness* tabled in December 2009, the need for coordination of income supports among levels of government has been highlighted.

As individual circumstances are unique and each income support program has different eligibility requirements, it is a challenge to estimate the overall impact of the transition from ODSP to federal income security programs at age 65. During this transition, people with disabilities may find some of their individual needs are not sustained with the income support provided at the age of 65. In addition, this transition may not provide a clear continuum of the health-related supports necessary for persons with disabilities.

The issues that have been highlighted in this memorandum point to the need for better coordination of income support programs at the federal and provincial levels.



Adelina Urbanski  
Commissioner of Community and Health Services