

Request for Decision

Discretionary Benefits Policy Review

Presented To: Community Services Committee

Presented: Monday, Jul 10, 2017

Report Date: Friday, Jun 23, 2017

Type: Managers' Reports

Resolution

WHEREAS The Province has implemented more stringent financial reporting, the over expenditures for Ontario Work and Ontario Disability Support Program clients will reach a projected deficit of \$350,000 for 2017;

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury approves option ____ for implementation.

Option One: THAT the City of Greater Sudbury approves an increase in the Social Services Discretionary Benefits Budget in the amount of \$350,000, effective January 1, 2018, to match the current costs set out by the Council approved service standard established in 2014, as outlined in this report entitled "Discretionary Benefits Policy Review" from the General Manager of Community Development, dated June 23, 2017.

Option Two: THAT the City of Greater Sudbury directs a review of the discretionary benefits policy including rates, items and frequency in order to fit within the Provincially capped formula, as outlined in the report entitled "Discretionary Benefits Policy Review" from the General Manager of Community Development, dated June 23, 2017.

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to a review of an operational policy.

Any potential reduction in the discretionary benefit rates, as outlined in option 2, will have a negative impact on the well-being of individuals in the community as they will have less access to supports for basic needs.

Report Summary

This report outlines a review of discretionary benefits that are paid through Social Services to Ontario Works (OW) and Ontario Disability Support Program (ODSP) clients. This budget is being administered as

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Health Impact Review

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Division Review

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Recommended by the Department

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Financial Implications

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Recommended by the C.A.O.

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per a Council approved services standard which was outlined in a 2014 report and is currently projected to run a deficit to year end. The report provides two options to Council, one which increases and adjusts the Municipal budget for the program starting in 2018 and the other to direct a review of the policy and report back to Council with changes to keep the discretionary benefits within the total budget allocation for the 2018 budget.

Financial Implications

Should option one be approved, the 2018 base operating budget will be increased by \$350,000 in order to maintain the existing Council approved service level.

Should option two be approved, staff will review the discretionary benefit policy and make recommendations to Council in order to match the service level with the Provincial funding cap to remain within existing operating budgets for future years. This option has no financial implications; however it will reduce service levels below those originally approved by Council.

Background

The Ministry of Community and Social Services (MCSS) as part of the Provincial Ontario Works Program, defines in Regulation, or as authorized by the Provincial Director of Ontario Works, the special services, items or payments that are considered "Discretionary Benefits" for Ontario Works.

The following discretionary benefits are some examples that are eligible for recipients but not limited to (A full rate chart is attached in Appendix 1- Discretionary Rate Chart):

- beds, appliances
- infant crib, car seat
- prosthetic appliances
- funerals and burials
- travel and transportation
- moving expenses
- any other special service, item or payment authorized by the Director (*Directive 7.1- Summary of Benefits*)

Currently, the benefit is cost shared with the Province (97.2/2.8) and will continue to be uploaded to 100% provincial funding by 2018 up to a maximum capped amount. The capped amount fluctuates based on the Provincial formula with the main cost driver being OW and ODSP caseloads. Any spending over the capped amount is the responsibility of the Municipality. Currently there is no additional Municipal allocation identified in the budget for any spending over the capped amount.

Service Standard

As a result of the discontinuation of the Community Maintenance and Start Up Benefit (CSUMB) and the introduction of the new Community Homelessness Prevention Initiative (CHPI) program, a report was prepared for Council in 2014 to revise the discretionary rates. A copy of the 2014 report can be found here:

<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=5&id=727>

Since the increase in the rates in 2014, the discretionary expenditures have been monitored on a monthly basis. The annual discretionary budget for Social Services is approximately \$1.2 million which fluctuates with caseloads. Since 2014, actual discretionary benefit costs have ranged from \$1.4 million to \$1.6 million. Social Services has been able to absorb any over expenditures within its existing budget by allocating eligible items to other program funding and recognizing one time funding from the Province.

With the implementation of the Social Assistance Management System (SAMS), uploading and changes to provincial reporting, the province has advised that they are

reviewing the discretionary expenditures and will no longer be funding any amount over the prescribed funding parameters.

In consultation with other Municipalities, each office has developed their own internal policy to administer discretionary benefits. There are variances in rates and frequencies across the Province, and some offices do not fund any further benefits once the Provincial cap is reached.

Mitigation

Provincial uploading of Ontario Works Benefits began in 2008 and will be fully completed by 2018. This uploading has produced annual tax levy savings for the Municipality. The 2018 expected reduction in the Municipal share of benefit costs is approximately \$800,000.

In 2017, several new administrative practices have been put in place in an attempt to curb discretionary rate spending. Examples of changes include further follow up of OW and ODSP cases (ODSP is administered by the Province), additional verification and sign offs by landlords, along with additional checklists for funerals.

One benefit area that has been consistently under pressure is the area of medically necessary orthodontic coverage for children. This area alone consumed approximately \$121,000 of the discretionary budget in 2016 and is on pace to exceed the 2017 total budget expenditure for this category. As a onetime measure for 2017, \$50,000 that was reallocated through a 2017 budget option for the Social Assistance Restructuring budget will be used to mitigate the funding pressure.

Given that there is no mechanism for in year increases to the budget; Social Services will begin further mitigation measures for the 2017 discretionary budget. These measures will include prioritizing benefit approvals for immediate health and safety needs and holding approvals for lower priority items.

Options for Consideration

In light of the Provincial direction, there are two options for consideration by Council

- 1) Adjust the 2018 budget to reflect the actual costs of the existing Council approved service level regarding discretionary rates by reinvesting \$350,000 of the provincial uploading savings rather than reducing the municipal tax levy, or
- 2) Direct Social Services to review the discretionary policy including rates, items and frequency that have been historically covered and revise the policy in order to remain within the Provincial budget allocation for future years.

Next Steps

Based on the Council decided option from the report, additional Municipal budget dollars will be added to fund the discretionary budget starting in 2018 or a review of the discretionary policy will be undertaken with recommendations to be brought back to the Community Services Committee in the early fall.

Social Services will continue mitigation strategies and implement any administrative procedures that are required to further mitigate the funding pressure including prioritizing benefit approvals for the most immediate health and safety needs.

Appendix 1 – Discretionary Rate Chart

Item	Previous		Revised (Effective 2014)	
	Amount (up to)	Frequency	Amount (up to)	Frequency
Blood Pressure Machines/Kits/Monitors	\$250	One time purchase only	\$250	One time purchase only
Car Seat	\$140	Once / dependent child	\$175	Once / dependent child
Booster Seat	\$50	Once / dependent child	\$75	Once / dependent child
Layette and Baby Supplies	\$150	7 months pregnant to birth	\$150	7 months pregnant to birth
	\$150	New born up to 12 months	\$150	New born up to 12 months
Pre-natal Vitamins	\$15 / three months	Duration of pregnancy	\$30 / month	Duration of pregnancy
Folic Acid	\$10 / three months	Duration of pregnancy	\$20 / month	Duration of pregnancy
Pest Control-Fumigation (home owners)	\$250	In a 12 month period	\$500	In a 12 month period
Pest Control-Cleaning			\$150	In a 12 month period
Tub/Shower/Bathroom Grab Bars			\$100	In a 12 month period
Misc Household Items (Singles/Couples) To support clients who are establishing a new principle residence and do not meet the CHPI guidelines.			\$100	Every 2 years
Misc Household Items (Families with children) To support clients who are establishing a new principle residence and do not meet the CHPI guidelines.			\$200	Every 2 years
Misc Household Items (Singles/Couples) To support clients with health related needs.			\$100	Every 2 years
Misc Household Items (Families with children) To support clients with health related needs.			\$200	Every 2 years
Prosthetic Appliances				
Alerting Systems (hearing impaired)	As per estimate	As required	As per estimate	As required
Aerochamber	\$60	Every 2 years	\$60	Every 2 years
Batteries (hearing aids and mobility devices)	\$250	In a 12 month period	\$250	In a 12 month period
Braces for Mobility and/or Support Ankle Brace, Knee Brace, Elbow Brace, Wrist Brace, Leg Brace, Back Lumbar Sacral Support, Patella Stabilizer, Corest Back Brace, Internal Elevation to Custom Brace, Air Brace	\$500	Every 3 years	\$500	Every 3 years
Breast pumps	\$200	Per child, onetime	\$200	Per child, onetime
Canes	\$100	Every 3 years	\$100	Every 3 years
Casts Fiberglass, Air Cast or Air Splint	As per estimate	As required	As per estimate	As required
Crutches	\$60	Every 5 years	\$75	Every 5 years
Compressors (i.e. Sleep apnea & asthmatics)	\$500	Every 5 years	\$500	Every 5 years

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Item	Previous		Revised (Effective 2014)	
	Amount (up to)	Frequency	Amount (up to)	Frequency
Hearing Aids & Personal FM Systems	\$900 per ear	Every 5 years	\$1,000 per ear	Every 5 years
Mastectomy Supplies			\$300	As required
Orthopedic (Orthotics)	\$400	Every 3 years	\$500	Every 3 years
Mobility Device Repairs	\$500	Every 2 years	\$500	Every 2 years
Splints - specialized splints not covered by OHIP	As per estimate	As required	As per estimate	As required
Support/Compression Stockings	\$250	In a 12 month period	\$250	In a 12 month period
Lice Treatments	As per estimate	As required	As per estimate	As required
Moving & Storage				
Moving (Singles/Couples)	\$200	Every 2 years	\$200	Every 2 years
Moving (Families with Children)	\$400	Every 2 years	\$400	Every 2 years
Storage	\$200	Every 12 months	\$200	Every 12 months
Appliances				
Refrigerator	\$300	Every 5 years	\$450	Every 5 years
Stove	\$200	Every 5 years	\$400	Every 5 years
Washer	\$300	Every 5 years	\$400	Every 5 years
Dryer			\$400	Every 5 years
Appliance Repairs For Refrigerator, Stove, Washer or Dryer	\$200	Once in a 12 month period/appliance	\$200	Once in a 12 month period/appliance
Repair Estimate (for above items)	\$30	Once in a 12 month period/appliance	\$30	Once in a 12 month period/appliance
Beds				
Twin Complete Bed	\$300	Every 5 years	\$350	Every 5 years
Twin Mattress Only	\$200	Every 5 years	\$250	Every 5 years
Twin Boxspring	\$100	Every 5 years	\$100	Every 5 years
Double Complete Bed	\$300	Every 5 years	\$400	Every 5 years
Double Mattress Only	\$200	Every 5 years	\$300	Every 5 years
Double Boxspring	\$100	Every 5 years	\$100	Every 5 years
Bunkbeds	\$320	Every 5 years	\$700	Every 5 years
Sofa bed/futon (in lieu of bed)	\$200	Every 5 years	\$300	Every 5 years
Bed Bug Mattress Cover	\$150	Every 5 years	\$150	Every 5 years
Cribs				
Complete Crib Set (New and CSA Safety Approved)	\$188	Once per child	\$350	Once per child
Crib Only (New and CSA Safety Approved)	\$109	Once per child	\$250	Once per child
Mattress Only	\$79	Once per child	\$100	Once per child