

## Chapter 1

### Section 1.09

Ministry of Children, Community and Social Services

# Ontario Disability Support Program

Follow-Up on VFM Section 3.09, *2019 Annual Report*

#### RECOMMENDATION STATUS OVERVIEW

	# of Actions Recommended	Status of Actions Recommended				
		Fully Implemented	In the Process of Being Implemented	Little or No Progress	Will Not Be Implemented	No Longer Applicable
Recommendation 1	1			1		
Recommendation 2	3		2	1		
Recommendation 3	3	1		2		
Recommendation 4	3	3				
Recommendation 5	1			1		
Recommendation 6	2	1	1			
Recommendation 7	4	2	2			
Recommendation 8	2				2	
Recommendation 9	2	2				
Recommendation 10	2	1	1			
Recommendation 11	5	1		4		
Recommendation 12	3			3		
Recommendation 13	3			3		
Recommendation 14	1			1		
Recommendation 15	1		1			
Recommendation 16	4		1	3		
Recommendation 17	2		1	1		
Recommendation 18	7			7		
Recommendation 19	3			3		
<b>Total</b>	<b>52</b>	<b>11</b>	<b>9</b>	<b>30</b>	<b>2</b>	<b>0</b>
<b>%</b>	<b>100</b>	<b>21</b>	<b>17</b>	<b>58</b>	<b>4</b>	<b>0</b>

## Overall Conclusion

The Ministry of Children, Community and Social Services (Ministry), as of August 25, 2021, has fully implemented 21% of the actions we recommended in

our *2019 Annual Report*. The Ministry has also made progress in implementing an additional 17% of the recommendations.

The Ministry has fully implemented or made progress in implementing recommendations such as updating its directives to prevent financially ineligible

Ontario Works recipients from transferring to the Ontario Disability Support Program (ODSP), by clearly indicating that Ontario Works is responsible for performing mandatory Canada Revenue Agency (CRA) and Equifax Canada Inc. verification checks. In addition, the Ministry was also in the process of following up with ODSP recipients for whom it did not have a Social Insurance Number (SIN) to obtain it, and to perform a CRA verification check to confirm their eligibility for ODSP.

So that ODSP disability applications are effectively assessed, the Ministry reviewed its target for the number of disability applications it expects its triage adjudicators to complete, and established a new target range of between 13 and 16 applications each day. As well, the Ministry implemented an adjudication quality assurance framework to regularly review the appropriateness of disability adjudication decisions, as well as a process to monitor and investigate significant differences in the rates that adjudicators approve applications as disabled. In addition, so that only eligible applicants are provided with ODSP benefits, the Ministry completed a review and analysis of the impact of Ministry attendance on the outcome of Social Benefits Tribunal (Tribunal) hearings, and in January 2021, set a target to attend 90% of Tribunal hearings pertaining to disability adjudication.

So that only applicants who meet the definition of a disabled individual receive ODSP benefits, the Ministry also updated its ODSP adjudication framework to be consistent with the regulations under the *Ontario Disability Support Program Act, 1997* (ODSP Act). The updated framework now requires adjudicators to set a medical review date unless the adjudicator is satisfied that the person's condition, impairment and restrictions are not likely to improve. As well, so that ODSP benefits are only provided to eligible recipients, the Ministry took steps to reduce the backlog of overdue medical reviews from 19,000 in March 2019, to 12,450 at the end of April 2021.

However, the Ministry has made little progress on 58% of the recommendations. The Ministry has not established a risk-based time frame for ODSP caseworkers to periodically review and confirm the

continued financial eligibility of all ODSP recipients. In addition, the Ministry has not completed a cost-benefit analysis to determine the optimal number of eligibility verification reviews of ODSP recipients it should complete annually to maximize savings to the program and ensure only eligible recipients receive ODSP benefits. As well, the Ministry has not yet taken steps to enhance its systems and processes to determine and record the cause of overpayments, in order to enable it to reduce the length of time it takes to identify overpayments and to minimize their occurrence.

The Ministry has yet to implement a process to monitor whether all non-disabled adults on ODSP have been referred to Ontario Works employment assistance activities as required. In addition, the Ministry has not made progress in exploring options to increase the number of ODSP recipients referred to employment supports to help increase their economic independence.

The Ministry also reported that two (4%) of the recommendations that were directed to the Social Benefits Tribunal (Tribunal) would not be implemented. The Tribunal indicated that it would not be implementing recommendations to review the reasonableness of the rate that different Tribunal members overturn and uphold Ministry disability decisions, because doing so is not in keeping with the fundamental principle of adjudicative independence. While we recognize the importance of Tribunal member independence, we continue to support the implementation of these recommendations so that only eligible individuals are provided with ODSP benefits. As noted in our 2019 audit, we found significant differences in the rates that different Tribunal members overturn Ministry decisions. For example, based on our review of 2018/19 Tribunal decisions, we identified that while a member overturned 28% of Ministry decisions, a different member overturned 93% of Ministry decisions.

The status of actions taken on each of our recommendations is described in this report.

## Background

The Ontario Disability Support Program (ODSP) is a social assistance program under the Ministry of Children, Community and Social Services (Ministry) that provides income support for Ontarians with disabilities who are in financial need. An employment-support program is also available to ODSP recipients to help them prepare for, obtain or maintain a job so that they can live as independently as possible. In 2020/21, the Ministry provided ODSP income support to more than 520,000 individuals (511,000 in 2018/19) comprising recipients and their qualifying family members.

In 2020/21, the program cost \$5.5 billion. From the time of our audit of ODSP in 2009 to our 2018/19 audit, the cost of the program had increased by approximately 75% from \$3.1 billion in 2008/09 to approximately \$5.4 billion in 2018/19. A significant contributing factor to the rising cost is the increased number of individuals and families receiving ODSP. Since 2008/09, the average monthly number of ODSP cases—a single individual or a family unit—had increased by 50%. However, we found that the Ministry had not investigated or studied the key reasons for caseload growth to identify whether corrective action in its delivery and administration of the program was needed.

Our significant findings included the following:

- Over 40% of ODSP applicants were confirmed to be disabled after a cursory review of their application—a 56% increase from the time of our previous audit. The Ministry determined these applicants to be disabled and to qualify for ODSP through its triage process, which was an expedited process intended to be a cursory review of a completed application to determine if the medical evidence clearly identified an applicant is disabled.
- The Ministry had no process to assess the appropriateness of disability approval decisions. We found that in almost 20% of the approved applications we reviewed, it was not clear from the application and the adjudicator's rationale how the applicant met the definition of a person with a disability.
- The Ministry rarely set medical reviews to confirm recipients were still eligible for ODSP. Across all stages of adjudication, the number of approved disability applications that were approved as disabled for life increased from 51% at the time of our previous audit to 80% in 2018/19. In over 40% of the cases we reviewed, it was not clear how the adjudicator made the decision that no medical review was required.
- The Social Benefits Tribunal continued to overturn about 60% of the Ministry's not-disabled decisions appealed to the Tribunal. The rate of overturned Ministry decisions varied from 28% for one Tribunal member to 93% for another member, but there was no internal decision review at the Tribunal for quality or consistency.
- Caseworkers often did not complete mandatory verification checks with third parties such as the Canada Revenue Agency and Equifax Canada Inc. to confirm that applicants were financially eligible for ODSP.
- Ineligible recipients likely remained on ODSP because caseworkers rarely assessed recipients' ongoing eligibility, which could lead to overpayments.
- Between April 2015 and March 2019, the Ministry carried out only about 8,300 eligibility verifications instead of the over 508,000 it should have performed according to its directives. Based on the level of overpayments identified in the cases it completed in 2017/18 that we sampled, we calculated the Ministry might have identified a further \$375 million in overpayments and terminated a further 11,700 cases, leading to annual savings of approximately \$165 million.
- Approximately 42,000 fraud allegations had not been investigated on time, and caseworkers were not trained to investigate fraud to ensure only eligible recipients were receiving income support.
- Since the time of our previous audit in 2009, the Ministry had overpaid recipients nearly

\$1.1 billion and written off approximately \$400 million in overpayments.

- Employment outcomes for individuals on ODSP were not improving. Fewer than 2% of disabled adults were referred to the Ministry's employment supports, and about 75% of dependent family members who were not disabled were not participating in mandatory Ontario Works employment assistance activities, reducing their likelihood of obtaining employment and reducing their family's dependence on ODSP.

We made 19 recommendations, consisting of 52 action items, to address our audit findings. We received commitment from the Ministry of Children, Community and Social Services that it would take action to address our recommendations.

## Status of Actions Taken on Recommendations

We conducted assurance work between April 2021 and August 2021. We obtained written representation from the Ministry that effective November 8, 2021, it has provided us with a complete update of the status of the recommendations we made in the original audit two years ago.

### Ministry Has Not Assessed Why ODSP Caseload Has Grown by 50% in Last Decade

#### Recommendation 1

*We recommend that the Ministry of Children, Community and Social Services investigate and identify the extent that either its policies and procedures to administer and deliver the Ontario Disability Support Program and/or its non-compliance with these policies and procedures have contributed to caseload growth, and take corrective action so that only individuals who are eligible for ODSP receive benefits from the program.*

**Status:** Little or no progress.

#### Details

In our 2019 audit, we found that since our previous audit of the Ontario Disability Support Program (ODSP) in 2009, the average number of cases had increased by 50%, from approximately 247,500 in 2008/09 to 370,700 in 2018/19. In contrast, the population of Ontario had grown by 12% over the same period. The substantial increase in the caseload since our previous audit was a key contributing factor to the 75% increase in program costs over the past decade. Despite the impact to the program's overall cost, we noted that since 2011, the Ministry had not investigated or studied the key reasons for caseload growth to assess whether the growth is reasonable, whether it reflects the changing needs of Ontarians, or whether, and by how much, it is related to the Ministry's administration of the program. We noted several areas in the Ministry's administration and delivery of ODSP that can be improved and may have contributed to the increase in the program's caseload and costs.

In our follow-up, we found that the Ministry had begun to take action to address this recommendation. The Ministry had analyzed the extent that its policies and procedures in the administration and delivery of ODSP have contributed to caseload growth between 1986 and 2019, and planned to conduct further analysis on the period from 2008/09 to 2018/19 to consider more operational factors, including how non-compliance with ODSP policies and procedures may have contributed to caseload growth. The Ministry indicated it expects to complete this analysis by June 2022. Thereafter, the Ministry will determine applicable corrective action, and a timeline for taking such action.

## Caseworkers Do Not Verify Completeness, Accuracy of Applicant-Declared Income and Assets to Verify Financial Eligibility

### Recommendation 2

To better identify and prevent applicants who are not financially eligible for the Ontario Disability Support Program (ODSP) from receiving benefits, we recommend that the Ministry of Children, Community and Social Services (Ministry):

- implement a process to monitor and to take corrective action in instances where local ODSP offices and their caseworkers are not complying with the requirement to verify the accuracy and completeness of each applicant's declared income and assets using the third-party information sharing agreements the Ministry has in place;

**Status:** Little or no progress.

### Details

In our 2019 audit, we found that ODSP caseworkers frequently did not undertake third-party verification checks to confirm applicants were eligible for ODSP. ODSP caseworkers are required to check whether the information provided by applicants regarding their assets and income is accurate and complete by using outside sources such as the Canada Revenue Agency (CRA) and Equifax Canada Inc. (Equifax). Our review of a sample of files at three of the four local offices we visited found that caseworkers did not carry out one or more of the mandatory Equifax or CRA checks in the majority of the files we reviewed.

In our follow-up, we found that the Ministry had not made progress toward implementing this recommendation. The Ministry indicated that it plans to automate the performance of third-party verification checks during the application to ensure that third-party verification checks are consistently completed on all applications prior to an eligibility decision. The Ministry indicated that it plans to implement automated third-party checks in the spring of 2022.

- provide mandatory, relevant and comprehensive training for caseworkers on how to interpret the results of third-party checks, and to identify and investigate discrepancies between the information applicants have declared and the information obtained from third-party checks;

**Status:** In the process of being implemented by March 2022.

### Details

In our 2019 audit, we found that in instances where caseworkers had carried out mandatory third-party verification checks, they did not always identify and follow up on significant discrepancies that could affect an applicant's eligibility. We were told during our audit that caseworkers would require additional training to be able to identify and follow up on such discrepancies.

In our follow-up, we found that the Ministry had developed a course for interpreting third-party verification reports. The Ministry informed us that the course would be mandatory for all front-line ODSP staff, and that all front-line staff will have to complete the training by March 31, 2022.

- review the information held in the Social Assistance Management System to identify and collect all missing information, such as a Social Insurance Number, required to carry out third-party checks.

**Status:** In the process of being implemented by March 2022.

### Details

In our 2019 audit, we found that, as of March 2019, there was no Social Insurance Number (SIN) information for approximately 19,400 adults, equivalent to approximately 4% of adults on the ODSP caseload. As a result, for these individuals, the Ministry would not be able to carry out third-party verification checks with CRA as its policy requires.

In our follow-up, we found that the Ministry developed a new Social Assistance Management System (SAMS) report to capture clients for whom

a SIN is missing. The Ministry advised us that it began sending this report to ODSP field staff in January 2021 and directed staff to follow up with ODSP recipients to obtain their SIN and perform the mandatory third-party CRA verification. The Ministry expects to have obtained missing SIN numbers, or to have taken action where a recipient has not provided their SIN, such as suspending the case, by March 2022.

### Recommendation 3

*To prevent financially ineligible Ontario Works recipients from transferring to the Ontario Disability Support Program (ODSP) and receiving income support that they are not entitled to, we recommend that the Ministry of Children, Community and Social Services:*

- *update its directives, policies and business procedures to clearly define and communicate Ontario Works 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;*

**Status: Fully implemented.**

- *implement a process to monitor compliance with these requirements; and*
- *put in place mechanisms to hold Ontario Works service managers accountable in instances of non-compliance with ODSP requirements.*

**Status: Little or no progress.**

### Details

In our 2019 audit, we noted that applicants who are in immediate financial need can apply to Ontario Works first to receive Ontario Works financial assistance while they go through the medical application and assessment process to assess medical eligibility for ODSP. In these cases, an Ontario Works office will check the applicant's residency and financial eligibility for Ontario Works and ODSP. However, we found that Ontario Works caseworkers often do not carry out mandatory CRA and Equifax third-party checks

to verify applicant income and assets, to determine financial eligibility for ODSP. In addition, ODSP caseworkers did not subsequently carry out one or more of these required third-party checks once the file was transferred to ODSP. As well, the Ministry informed us that ODSP caseworkers are not required to review whether Ontario Works caseworkers performed third-party checks. Therefore, there is a risk that financially ineligible applicants are transferring from Ontario Works to ODSP.

In our follow-up, we found that the Ministry had updated its directives and communicated them to Ontario Works and ODSP staff in March 2021 to indicate that Ontario Works was responsible for performing mandatory third-party Equifax and CRA checks prior to transferring recipients to ODSP, and that such checks have to have been completed within 12 months of the date the recipient's file is transferred to ODSP. The updated directives also state that ODSP caseworkers are responsible for ensuring these third-party verification checks have been performed – in instances where they have not been performed, ODSP caseworkers are responsible for performing them.

In our follow-up, we also found that the Ministry had not made progress in implementing a process to monitor compliance with the updated requirements for completing third-party verification checks, or to put in place mechanisms to hold Ontario Works service managers accountable in instances of non-compliance with requirements to complete mandatory third-party verification checks. The Ministry advised us that it planned to undertake a quality assurance review to assess compliance with updated requirements, and that the results would be used to make decisions on future monitoring activities. The Ministry also indicated that it would be working to design a strengthened accountability model for Ontario Works by January 2023 that includes a new performance framework and an enhanced service agreement, and that as part of this process, the Ministry would explore including compliance requirements related to third-party checks.

## Despite Increasing Approval Rates, Ministry Does Not Review Disability Decisions for Appropriateness

### Recommendation 4

*So that all applicants who meet the Ontario Disability Support Program's definition of a disabled individual receive benefits, we recommend that the Ministry of Children, Community and Social Services:*

- *review the reasonableness of its targets and expectations for the number of disability applications it expects its triage adjudicators to complete and to update its targets accordingly;*

**Status: Fully implemented.**

### Details

In our 2019 audit, we noted that the Ministry had a target for its adjudicators to review between 20 and 25 ODSP applications in the triage stage each day. However, we found that the Ministry could not demonstrate how it determined that the target could be achieved while making appropriate decisions on whether applicants are disabled. We also found that the Ministry had never carried out a study to obtain and analyze data to determine the average time needed to effectively assess ODSP applications at any of its adjudication stages in order to set appropriate targets.

In our follow-up, we found that the Ministry in consultation with its adjudicators, reviewed the reasonableness of its target for the number of disability applications it expects its triage adjudicators to complete, and established a new target range in September 2020 of between 13 and 16 applications each day.

- *implement a formal process to regularly review the appropriateness of decisions to approve and reject applicants as disabled; and*
- *monitor and investigate significant differences in the rates that adjudicators approve applicants as disabled and take steps to facilitate corrective*

*actions where differences are determined to be unreasonable.*

**Status: Fully implemented.**

### Details

In our 2019 audit, we found that the percentage of ODSP disability applications approved by different adjudicators differed drastically, but the Ministry did not review the reasonableness of these differences to assess whether adjudicator decisions are appropriate. For example, in the triage stage where all new applications undergo a cursory review, we found that in 2018/19 while one adjudicator who reviewed almost 4,200 applications approved just 20% of them, two adjudicators, including an adjudicator who reviewed over 500 applications, approved all of them. The Ministry did not analyze differences in approval rates to determine if they are reasonable, or if follow-up action was needed to ensure that adjudicator decisions are consistent and made in accordance with the ODSP Act and Ministry policies.

In our follow-up, we found that the Ministry had developed and implemented an adjudication quality assurance framework in July 2020 to regularly review the appropriateness of disability adjudication decisions. By May 2021, the Ministry had reviewed 226 decisions, and made changes as a result of these reviews to 11 of the 226 decisions. The Ministry indicated that it plans to review approximately 270 decisions annually.

In our follow-up, we also found that the Ministry had developed an ongoing process to monitor and investigate significant differences in the rates that adjudicators approve applications as disabled, and to take corrective action when necessary. The Ministry analyzed adjudicator approval rates over a one-year period to determine the median approval rate and selected those adjudicators that were furthest from the norm for review. Based on its review of the decisions of 15 adjudicators, the Ministry concluded that overall adjudicator decision-making was reasonable and in compliance with the ODSP Act and its regulations. Although the Ministry indicated that it did not observe overall trends that required corrective action

for all adjudicators, it provided feedback to adjudicators to change their decision in some specific cases.

### Recommendation 5

*So that only applicants who meet the Ontario Disability Support Program's definition of a disabled individual receive benefits, we recommend that the Ministry of Children, Community and Social Services update the Adjudication Unit's handbook and triage guidelines to reflect advances in treatment associated with medical conditions where there have been significant changes that may no longer render individuals disabled, or permanently disabled.*

**Status:** Little or no progress.

#### Details

In our 2019 audit, we noted that adjudicators determine whether a condition and related impairments are substantial primarily by referring to the Adjudication Unit's handbook and triage guidelines. We found that because the handbook and guidelines had not been updated since their inception in 2004, some applicants are incorrectly approved as disabled even though their condition does not have substantial impact on their activities of daily living. In our review of a sample of ODSP applications approved as disabled, we found several instances where the medical condition and related impairments of the applicants did not result in a substantial restriction on their daily living activities, which is a requirement to establish disability under the ODSP Act. This included several individuals that were approved as disabled for life due to contracting HIV despite having no substantial restrictions to their daily living activities. The Ministry told us that it had not updated its guidelines concerning HIV in over 15 years, and thus its policy had not taken into consideration medical advances since that time. The Ministry's guidelines for adjudicators indicate that confirmed cases of HIV are to be deemed disabled with no requirement for a medical review. We noted that in the last five years, more than 2,000 applicants had been approved as disabled because they had HIV.

In our follow-up, we found that the Ministry had replaced its handbook and triage guidelines with an updated handbook in 2020. The Ministry advised us that the intent of the new handbook was to reflect advances in treatment associated with medical conditions. The Ministry also advised us that it planned to work with the Ministry of Health and external HIV stakeholders regarding a potential update to the HIV adjudication guidelines. However, the Ministry could not provide a time frame for doing so.

### Recommendation 6

*So that only applicants who meet the Ontario Disability Support Program's (ODSP) definition of a disabled individual receive benefits, we recommend that the Ministry of Children, Community and Social Services:*

- *record the name and address of health-care professionals who complete disability applications, as well as any concerns about these applications identified by adjudicators in its information system, to analyze and identify trends, and take corrective action where needed;*

**Status:** In the process of being implemented by April 2022.

- *review and assess the appropriateness of applications completed by physicians that complete a disproportionately high number of disability applications.*

**Status:** Fully implemented.

#### Details

In our 2019 audit, we found that the Ministry does not record basic information, such as the name and address, of health-care professionals who complete disability applications in its information systems. In addition, we found that the Ministry did not have a process to track concerns about disability applications completed by specific health-care professionals. As a result, the Ministry was unable to monitor trends that may warrant further investigation, such as health-care professionals who complete a high volume of applications, or concerns about a specific health-care professional's completed applications.

We obtained data from the Ministry of Health and found that some health-care professionals completed a disproportionately high number of disability application forms. For example, we noted that over the last five years, one physician had completed an average of 240 disability applications per year, compared with an average of four per year among all physicians who completed such forms.

In our follow-up, the Ministry advised us that it is in the process of undertaking technological enhancements to its Disability Adjudication Database to add the functionality for recording the names and addresses of health-care professionals who complete disability applications and any concerns identified in these applications. In addition, the Ministry advised us that it is developing a process for health-care professionals to submit disability applications online, which will include the name and address of the health-care professional who completes the application. The Ministry plans to implement these changes by April 2022.

In our follow-up, the Ministry also identified that in 2020, it had put in place an annual process to analyze and identify trends related to disability applications and the health-care professionals who complete them, and a process for taking corrective action on quality issues identified in the completion of disability applications.

In the fall of 2020, the Ministry completed an analysis for the 2018/19 and 2019/20 fiscal years of disability applications, utilizing data from the Ministry of Health, and identified 95 health-care professionals who had completed a disproportionate number of disability applications. The Ministry noted that it then assessed a 10% sample of the disability applications completed by each of these health-care professionals to identify quality problems in their completion. The Ministry indicated that its assessment did not identify any irregularities or concerns that required corrective action.

## Ministry Determines 80% of Applicants It Finds Disabled to Be Disabled for Life; Rarely Assigns Medical Reviews Required by Legislation

### Recommendation 7

*So that only applicants who meet the Ontario Disability Support Program's definition of a disabled individual receive benefits, we recommend that the Ministry of Children, Community and Social Services:*

- *analyze by disability type the increase in the proportion of cases that it does not assign a medical review, and assess whether these increases are reasonable;*

**Status: In the process of being implemented by March 2022.**

### Details

In our 2019 audit, we noted that across all stages of adjudication, the number of approved disability applications that were not assigned a medical review date increased from 51% in 2008/09, at the time of our last audit, to 80% in 2018/19. This represents a 57% increase in the percentage of approved applicants who receive ODSP benefits for life. Because the Ministry had not studied the reasons for the increase, we analyzed the Ministry's decisions to not assign a medical review by type of disability. We discovered that certain conditions, including neuroses and psychoses, experienced the most significant increases.

In our follow-up, we found that the Ministry had completed an analysis by disability type of the assignment of medical review dates to disabled applicants and determined that the increases in the proportion of cases that it did not assign a medical review were reasonable based on the demographic changes of ODSP applicants and as a result of improved mental health information provided to the Ministry.

In addition, to this analysis, in February 2021, the Ministry implemented a quarterly adjudication file review process. This process will include

assessing the appropriateness of whether a medical review date is assigned, and where a medical review date is assigned – the appropriateness of the time frame for the review. The Ministry expects to have completed a sufficient number of file reviews to help determine whether the increase in the proportion of cases not assigned a medical review is reasonable by March 2022.

- *revisit the actions taken since 2015/16 that contributed to the increase in cases it does not assign a medical review, and take corrective measures where these actions have led to decisions that are not consistent with the regulations under the Ontario Disability Support Program Act, 1997 (ODSP Act);*

**Status: In the process of being implemented by March 2022.**

### Details

In our 2019 audit, we noted that across all stages of adjudication, the number of approved disability applications that were not assigned a medical review date increased from 51% in 2008/09, at the time of our last audit, to 80% in 2018/19. We discovered that certain conditions, including neuroses and psychoses, experienced the most significant increases. Although the Ministry could not identify specific reasons for these increases, it provided a list of actions taken since 2015/16 to reduce the number of medical reviews assigned that may have contributed to the increases. In addition, we found that the Ministry's guidance for adjudicators for setting all medical review dates was not consistent with the regulations under the ODSP Act.

In our follow-up, we found that the Ministry had completed an assessment of the actions it had taken since 2015/16 that may have contributed to the increase in cases it does not assign a medical review. The Ministry made changes that include updating the ODSP adjudication framework in 2020 to be consistent with regulations under the ODSP Act. In addition, in July 2021, the Ministry updated its requirements for obtaining evidence in support of medical review

decisions and documenting the rationale for such decisions so that they are clearly supported and consistent with the regulations under the ODSP Act. The Ministry noted that it plans to complete an analysis by March 2022, to assess the impact of its updated requirements on decisions to assign a medical review.

- *review and implement changes to the Adjudication Unit's policies and guidelines where they are not consistent with the principles of the ODSP Act; and*
- *review and update its requirements for both obtaining evidence in support of medical review decisions and documenting the rationale for such decisions so that they are clearly supported and consistent with the regulatory requirements under the ODSP Act.*

**Status: Fully implemented.**

### Details

In our 2019 audit, we noted that regulations under the ODSP Act state that adjudicators should set a date to review decisions confirming an individual is disabled, unless the adjudicator is satisfied that the person's condition, impairment and restrictions are not likely to improve. However, we found that the Adjudication Unit's ODSP adjudication framework does the opposite: it puts the onus on adjudicators to determine that the condition, impairment, and restrictions are likely to improve in order to assign a medical review date. This change in interpretation relative to the regulations under the ODSP Act means it is more difficult to conclude that a medical review date is required than it is to conclude that it is not.

In our 2019 audit, we also found that the Ministry requires more documentation if an adjudicator assigns a medical review than it does for when the adjudicator decides that no medical review is required. Our review of a sample of adjudication decisions identified that in over 40% of the cases we reviewed, the file did not contain an explanation of how the adjudicator determined that the applicant's condition, impairment and restrictions were unlikely to improve and that no medical review was required.

In our follow-up, we found that in 2020, the Ministry updated the Adjudication Unit's ODSP adjudication framework to be consistent with the regulations under the ODSP Act. The updated framework requires adjudicators to set a medical review date unless the adjudicator is satisfied that the person's condition, impairment and restrictions are not likely to improve. In addition, in July 2021, the Ministry updated its requirements for obtaining evidence in support of medical review decisions and documenting the rationale for such decisions so that they are clearly supported and consistent with the regulations under the ODSP Act. The Ministry noted that these updates were communicated to its adjudicators.

## Majority of Non-disabled Decisions Still Overturned by Tribunal

### Recommendation 8

*So that only eligible individuals are provided with Ontario Disability Support Program income support, we recommend that the Social Benefits Tribunal (Tribunal), while respecting Tribunal member independence:*

- *review the overturn and uphold rates for reasonableness between Tribunal members and determine whether any changes in training or other tools are needed to foster greater quality; and*
- *make improvements where needed.*

**Status:** Will not be implemented. The Office of the Auditor General continues to support the implementation of this recommendation.

### Details

In our 2019 audit, we found that 10 years after our last audit of ODSP in 2009, the Social Benefits Tribunal (Tribunal) continues to overturn about 60% of the Ministry's decisions appealed to the Tribunal where the Ministry has found applicants not disabled and therefore not eligible for ODSP benefits. Senior representatives from Tribunals Ontario informed us that the decision to overturn the non-disabled

decision lies solely with the member who conducts the hearing. There is no internal review of decisions for quality or consistency. In addition, we noted a high variation in Tribunal member decisions. We reviewed the decisions made from hearings in 2018/19 and found, for example, that while one member overturned 28% of Ministry decisions, a different member overturned 93% of the Ministry's decisions.

In our follow-up, the Tribunal informed us that it would not be taking steps to implement this recommendation. The Tribunal indicated that reviewing records of the overturn rate of Tribunal members for reasonableness is not in keeping with the fundamental principle of adjudicative independence.

### Recommendation 9

*So that only eligible individuals are provided with Ontario Disability Support Program income support, we recommend that the Ministry of Children, Community and Social Services (Ministry):*

- *review the impact of Ministry attendance on the outcome of Tribunal hearings, to determine whether officers should attend all hearings, or if not, the optimal number of hearings to attend to minimize overall program costs, and to ensure that the Ministry's position is effectively explained and supported at hearings; and*
- *select Tribunal hearings to attend based on the risk of the Ministry's decision being overturned in the Ministry's absence.*

**Status:** Fully implemented.

### Details

In our 2019 audit, we reviewed Ministry and Tribunal data and found that the Ministry's case presenting officers (officers) appeared in only 16% of Tribunal hearings in the last 10 years, including 28% in 2018/19, to provide the Ministry's legal submissions and rationale for denying the applicant's appeal. The Ministry explained that it does not have sufficient human resources to attend all the Tribunal hearings. However, we found that the Tribunal upheld the Ministry's decisions to deny eligibility at a

significantly higher rate when an officer was present at a hearing. Between 2009/10 and 2018/19, 48% of Ministry decisions were upheld by the Tribunal with an officer in attendance compared with 38% when an officer did not attend.

In our 2019 audit, we also found that with the exception of a very small number of Tribunal hearings, the Ministry does not prioritize the cases to be heard by the Tribunal to determine which cases its officers should attend, including in which cases there is a higher risk of its decision being overturned. Instead, the Ministry encourages officers to select locations where a minimum of three hearings a day are scheduled to maximize the number of hearings that its officers attend.

In our follow-up, we found that the Ministry completed a review and analysis of the impact of Ministry attendance on the outcome of Tribunal hearings and determined that the Ministry should attend all of the hearings. The Ministry set a target in January 2021 to attend 90% of Tribunal hearings pertaining to disability adjudication based on the volume of scheduled hearings and taking into consideration that there would be hearings that officers would not be able to attend on short notice. The Ministry noted that it will continue to monitor the volume of Tribunal hearings and assess the Ministry's resources to continue to attend the majority of Tribunal hearings.

We also found that the Ministry had updated its hearing selection and prioritization guideline in 2020 so that hearing attendance is based on the risk of the Ministry's decision being overturned in the Ministry's absence.

### Recommendation 10

*So that only eligible individuals are provided with Ontario Disability Support Program (ODSP) income support, we recommend that the Ministry of Children, Community and Social Services (Ministry):*

- *review whether the high overturn rate of the Ministry's decisions at the Social Benefits Tribunal has affected the Ministry's ability to reach disability decisions that are consistent with the ODSP Act;*

**Status: Fully implemented.**

- *assess the suitability for ODSP of models for appeals in other jurisdictions and propose alternatives to the Ontario government for an appeals framework that enhances the consistency of disability decisions between the Ministry and the appeals body with the ODSP Act.*

**Status: In the process of being implemented by December 2022.**

### Details

In our 2019 audit, we noted that after our 2009 audit the Ministry committed to address the high rate at which the Tribunal overturned ODSP decisions related to whether an individual is disabled. The Ministry advised us that in an effort to reduce the number of applicant appeals to the Tribunal, and to reduce the number of its decisions overturned, it took action such as providing additional training to Ministry adjudicators, and updating its adjudication framework in 2017 to increase the consistency of decision-making. We found that while the number of appeals to the Tribunal declined, the percentage of Ministry decisions overturned by the Tribunal actually increased slightly from 59% in 2008/09 to 60% in 2018/19.

We noted that in British Columbia, its Employment and Assistance Appeal Tribunal, which hears appeals on disability decisions for social assistance, rescinded less than 5% of the appeals it heard on disability decisions in 2017/18.

In our follow-up, we found that the Ministry had surveyed its adjudicators and officers to assess whether the high overturn rate of the Ministry's decisions at the Tribunal affected the Ministry's ability to reach disability decisions that are consistent with the ODSP Act. According to the Ministry, 78% of respondents indicated that they do not believe their ability to render not-disabled decisions is impacted by the Tribunal's overturn rate. However, only 21% of respondents indicated the Tribunal's decision-making processes are aligned with the ODSP Act.

In our follow-up, we also found that the Ministry had completed a scan of the appeals frameworks in other jurisdictions to understand and assess

alternative appeal mechanisms and potential lessons learned for social assistance. The Ministry subsequently proposed alternatives to the government for an appeals framework that could increase consistency with the ODSP Act. The Ministry advised us that it is in the process of refining its proposed alternatives to the government and expects to provide the government with additional information by December 2022.

## Ineligible Recipients Likely Remain on ODSP

### Recommendation 11

*So that only eligible recipients continue to receive Ontario Disability Support Program (ODSP) benefits, we recommend that the Ministry of Children, Community and Social Services (Ministry):*

- *establish a risk-based timeframe for ODSP caseworkers to periodically review the eligibility of all ODSP recipients;*

**Status:** Little or no progress.

### Details

In our 2019 audit, we found that caseworkers rarely review and update recipient application information to confirm their continued financial eligibility and to prevent ineligible recipients from continuing to receive benefits. At the four ODSP offices we visited, we found that in 58% to 100% of the files we reviewed in our sample, the recipient's application information had not been updated for at least five years. In many cases, it was much longer, including one recipient whose information had not been updated since 2005.

In our follow-up, we found that the Ministry had not made progress toward implementing this recommendation. The Ministry indicated that in the future, it plans to address the recommendation by implementing a risk-based eligibility determination process to monitor the ongoing eligibility of all ODSP recipients.

- *implement a process to identify deceased ODSP recipients on a timely basis to prevent overpayments;*

**Status:** Fully implemented.

### Details

In our 2019 audit, we found that despite having an agreement to obtain data from the province's death registry to help identify deceased ODSP recipients who were still being paid benefits, the Ministry does not regularly use this information to identify deceased recipients on a timely basis and prevent overpayments. We obtained death registration data from the Ministry of Government and Consumer Services that we analyzed and used to identify 110 individuals who were deceased but continued to be included in the ODSP caseload as of March 2019. Although in most of these cases the payments the Ministry issued to these individuals were cancelled, we found that as of September 2019, income support payments were issued to 26 of these individuals. As a result, we identified overpayments of approximately \$540,000 relating to payments made between December 2006 and September 2019.

In our follow-up, we found that in March 2021, the Ministry had implemented a monthly data match for all ODSP recipients against the Ontario Death Registry in order to identify deceased ODSP recipients on a timely basis and to prevent overpayments.

- *review the backlog of cases that ODSP directives required to be subject to an eligibility verification review over the past four fiscal years, and design and execute a plan to identify and carry out reviews on these cases based on their relative risk;*
- *review the results of the eligibility verification reviews and carry out a cost-benefit analysis to determine the optimal percentage of eligibility verification reviews the Ministry should complete on an annual basis to maximize savings to the program; and*

- *put in place a plan to complete the number of eligibility verification reviews determined to be optimal to maximize savings to the program.*

**Status:** Little or no progress.

### Details

In our 2019 audit, we noted that the Ministry's key process to oversee and confirm the eligibility of ODSP recipients, and verify that they are receiving the correct amount of income support, is its eligibility verification review. Ministry directives state that 3% of all ODSP recipient cases will be selected for an eligibility review each month. Based on selecting 3% of the caseload each month, we calculated that the Ministry should have performed approximately 508,300 eligibility verification reviews in the last four years (April 1, 2015, to March 31, 2019). However, we found the Ministry completed only 8,262 of these eligibility reviews, or only 1.6% of the total reviews it should have performed.

We noted that in 2017/18, the Ministry selected cases for eligibility verification at random rather than risk. Out of the 6,181 reviews it completed in 2017/18, it identified overpayments in 18% of the cases totalling about \$4.65 million. This is equivalent to an average overpayment of almost \$4,200 in each of these cases. Based on these results, if all of the 508,300 reviews required by the Ministry's directives had been completed, the Ministry may have identified a further \$375 million in additional overpayments that it could have prevented from increasing and started to recover from recipients.

In our follow-up, we found that the Ministry had not reviewed the backlog of cases that ODSP directives require to be subject to an eligibility verification and had not targeted completing eligibility verification reviews of 3% of all ODSP recipient cases each month as its directives require – instead, the Ministry informed us that it currently has a target to complete eligibility verification reviews of 3% of all ODSP recipient cases per year. We also found that the Ministry has yet to complete a cost-benefit analysis to determine the optimal percentage of reviews the Ministry should complete on an annual basis; however,

the Ministry indicated that it plans to complete such an analysis by January 2022.

### Recommendation 12

*To maximize the benefits of the eligibility verification process, we recommend that the Ministry of Children, Community and Social Services:*

- *enhance its systems and processes to record and analyze the causes that led to undetected changes in recipients' financial eligibility;*
- *clearly communicate where such instances are occurring for review by caseworkers; and*
- *take action to address these causes to minimize their occurrence.*

**Status:** Little or no progress.

### Details

In our 2019 audit, we noted that the Ministry collects data on the results of the eligibility verification reviews it performs, including whether the review resulted in a recipient's termination or identifying an overpayment to the recipient. However, we found that the Ministry did not analyze the underlying reasons, such as an undeclared spouse, that led to any of these changes. Without consolidated data to understand the most common causes of terminations and overpayments identified through the eligibility verification reviews, the Ministry is unable to use the results of the reviews to identify which of its processes it needs to improve to prevent and reduce these occurrences. In addition, we found that results from the eligibility verification reviews were not clearly communicated to caseworkers so they could learn from the findings and apply that to their future work.

In our follow-up, we found that the Ministry had not made progress toward implementing these recommendations. The Ministry advised us that it planned to make system enhancements to fully capture all eligibility verification review outcomes so it can better analyze the causes that led to undetected changes in recipients' financial eligibility, and to develop and implement a formal process to communicate

observations from these reviews by December 2021. Thereafter, the Ministry plans to establish a process to take action to prevent the causes that led to undetected changes in recipients' financial eligibility.

### Recommendation 13

*So that only eligible individuals receive Ontario Disability Support Program (ODSP) benefits, and that overpayments to recipients are identified and minimized, we recommend that the Ministry of Children, Community and Social Services take steps to:*

- *provide training to caseworkers on how to assess and investigate allegations of fraud;*
- *conduct a review of its process for assessing and investigating allegations of disability fraud and clearly communicate roles and responsibilities; and*
- *implement a process to monitor whether allegations of fraud have been reviewed and investigated within required time frames and take corrective action where these time frames have not been met.*

**Status: Little or no progress.**

### Details

In our 2019 audit, we found that as of March 2019, there was a backlog of approximately 42,000 fraud allegations that had not been assessed within the Ministry's required time frame of 15 business days. Sixty percent of these 42,000 allegations were over a year old.

We also found that the Ministry does not periodically provide training to caseworkers on how to assess and investigate fraud, and approximately half of the caseworkers who responded to our survey indicated that they had not received the training they need to capably review, investigate and close fraud allegations. At the four local ODSP offices we visited, we found that steps taken to investigate fraud allegations were not always sufficient. For example, at one of the ODSP offices we visited, we noted instances of closed investigations where recipients were asked to merely sign a statement denying the fraud allegations. At

another office, we found instances where investigations were closed but it was not evident that caseworkers took any action at all before closing the investigation.

In our 2019 audit, we noted that although most fraud allegations relate to financial matters, a number are also related to allegations of disability fraud. In such cases, the Ministry expects caseworkers to forward these allegations to the Disability Adjudication Unit (Adjudication Unit) because caseworkers do not have access to an individual's medical information. However, we found that this process was not working effectively. Only one-third of caseworkers who responded to our survey indicated they would refer an allegation of disability fraud to the Adjudication Unit. Moreover, the Adjudication Unit advised us that it had not received any allegations of disability fraud from caseworkers in the past year, or in the recent past prior to that.

In our follow-up, we found that the Ministry had made little progress in implementing these recommendations. The Ministry noted that it had revised its process for assessing and investigating allegations of fraud, and that it was introducing the revised process to its local ODSP offices in phases throughout 2021. The Ministry indicated that it expects to provide training on the new process to all caseworkers, as well as administrative support clerks and managers involved in assessing and investigating fraud allegations by the end of 2021. In addition, the Ministry indicated that by the end of 2021, it plans to implement a process and tools to monitor the performance of the revised process for assessing and investigating allegations of fraud.

The Ministry also told us that it expects to complete a review of the roles and responsibilities related to investigating allegations of disability fraud, and to communicate and reinforce these roles to Ministry staff by the end of 2021.

### Recommendation 14

*To reduce the number and size of overpayments to recipients, we recommend that the Ministry of Children, Community and Social Services enhance its*

*systems and processes to determine and record the cause of overpayments, to analyze the root causes and take action to reduce the length of time to identify them, and minimize their occurrence.*

**Status:** Little or no progress.

### Details

In our 2019 audit, we noted that the Ministry's Social Assistance Management System (SAMS) determines the reason that overpayments have occurred. However, these system-generated reasons are too general for the Ministry to understand the most common systemic causes of overpayments. Without this information, the Ministry cannot analyze how they occurred to identify how to prevent or reduce future overpayments.

In our follow-up, we found that the Ministry had not yet taken steps to address this recommendation. Although the Ministry has not established a timeline for addressing this recommendation, the Ministry indicated that it plans to assess and analyze potential system enhancements to better document overpayment creation reasons and identify root causes in order to take preventative action.

### Recommendation 15

*So that the Ministry of Children, Community and Social Services (Ministry) only provides Ontario Disability Support Program (ODSP) payments to eligible recipients, and overpayments to ineligible individuals are minimized, we recommend that the Ministry carry out medical reviews on a timely basis in accordance with its requirements to determine whether recipients continue to have disabilities that meet the eligibility requirements for ODSP.*

**Status:** In the process of being implemented by December 2021.

### Details

In our 2019 audit, we noted that as of March 2019, the Ministry had not followed up on approximately 19,000 recipients whose medical reviews were overdue, and more than half of these were overdue by at least two years or more. Because medical reviews

have not been conducted, there is a possibility that these recipients' medical conditions have improved and they no longer medically qualify for ODSP.

In our follow-up, we found that the Ministry had taken steps to reduce the backlog of overdue medical reviews from 19,000 in March 2019, to 12,450 at the end of April 2021. The Ministry informed us that it expects to complete the remaining overdue medical reviews by December 2021.

## Most Non-disabled Adults Not Participating in Required Employment Assistance Activities

### Recommendation 16

*To improve the employment outcomes of non-disabled adults on the Ontario Disability Support Program (ODSP), we recommend that the Ministry of Children, Community and Social Services:*

- *review and update its process for referrals to Ontario Works employment assistance to ensure that all referrals are identified and acted upon on a timely basis;*
- *implement a process to monitor whether all non-disabled adults have been referred to Ontario Works employment assistance or have a valid waiver in place;*

**Status:** Little or no progress.

### Details

In our 2019 audit, we noted that as of March 2019, there were approximately 57,000 non-disabled adults in family units on the ODSP caseload. We reviewed the Ministry's data and found that approximately 43,000 or 75% of these adults were not participating in employment assistance activities even though their requirement to do so had not been waived.

At the four ODSP offices we visited, we selected 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. For example, we found that 45% of the non-disabled adults had not been referred to Ontario Works employment assistance activities by their ODSP caseworker, and about 20% of the non-disabled adults had received a waiver from participating in employment assistance activities but the waiver had expired.

In our follow-up, we found that the Ministry had made little progress toward implementing these recommendations. In February 2019, the Ontario government announced a plan to transform employment services. The plan includes a new service delivery model to integrate social assistance employment services into Employment Ontario under the Ministry of Labour, Training and Skills Development (MLTSD). MLTSD selected three service system managers for three different catchment areas where the prototype for the new employment services model began to be provided in January 2021. The Ministry identified that the transformation of employment services is targeted to be rolled out across the province by the end of 2023.

In the meantime, the Ministry noted it planned to enhance ODSP caseworker awareness of Employment Ontario's suite of training and employment supports and to review the ODSP non-disabled caseload in order to refer them to employment assistance activities or to ensure that a valid waiver from participating in employment assistance activities is in place.

- *take corrective action in instances where ODSP offices and their caseworkers are not complying with the requirement to refer non-disabled adults to Ontario Works employment assistance, or ensure that valid waivers are in place;*

**Status:** In the process of being implemented by March 2022.

#### Details

In our follow-up, the Ministry indicated that it had sent reports to front-line Ministry staff at ODSP offices in November 2020, identifying non-disabled adults who were not referred to employment assistance activities and who did not have a valid waiver

in place from participating in such activities. ODSP offices are expected to review these individuals and refer them to Ontario Works. The Ministry identified that it provided follow-up reports to ODSP offices in March 2021, and planned to produce follow-up reports again in November 2021 to review its progress. The Ministry identified that it expects to have referred all non-disabled adults to employment assistance activities, or to ensure that they have a valid waiver in place from participating in such activities by March 2022.

- *put in place mechanisms to hold Ontario Works service managers accountable in the instances of non-compliance with responsibilities in relation to participation for non-disabled adults on ODSP.*

**Status:** Little or no progress.

#### Details

In our follow-up, we found that the Ministry had made little progress toward implementing this recommendation. The Ministry identified that by January 2023, the Ministry would design a strengthened accountability model for Ontario Works that includes a new performance framework and an enhanced service agreement. As part of the new accountability model, the Ministry indicated that it will explore including compliance requirements related to participation in employment assistance activities for non-disabled adults on ODSP.

## Large Caseloads Impact Ability of Caseworkers to Carry Out Roles and Responsibilities Effectively

### Recommendation 17

*So that Ontario Disability Support Program (ODSP) caseworkers can effectively carry out their responsibilities designed to achieve program expectations and requirements, we recommend that the Ministry of Children, Community and Social Services (Ministry):*

- *assess workloads and processes to establish a roadmap that clearly identifies the Ministry's*

*intermediate and longer-term actions to improve the ability of caseworkers to handle ODSP cases;*

**Status:** In the process of being implemented by June 2022.

### Details

In our 2019 audit, we found that the Ministry had not established benchmarks for ODSP caseworker caseloads to ensure that caseworkers are able to meet their obligations and to execute their responsibilities efficiently and effectively. We also found that the average caseworker's caseload increased from 266 cases at the time of our previous audit of ODSP in 2009, to 323 cases in 2019. Fifty-four percent of caseworkers who responded to our survey indicated that they were unable to manage their caseload to effectively carry out all of the duties and responsibilities expected of them.

In our follow-up, we found that the Ministry released its Vision for Social Assistance Transformation in February 2021 that outlines plans for a new social assistance delivery model where municipalities provide life stabilization support for ODSP recipients. The Ministry identified that as part of its design of a new delivery model it will also develop a staffing model to define the roles and responsibilities of caseworkers, and that the staffing model will factor in workloads and caseloads. The Ministry expects to complete the design of the new delivery model by June 2022.

- *implement the actions identified in the roadmap so that program requirements can be met.*

**Status:** Little or no progress.

### Details

In our follow-up, we found that the Ministry had not yet taken steps to address this recommendation. The Ministry indicated that it intends to complete the implementation of the new social assistance delivery model, including the associated staffing model, by June 2024.

## Ministry Refers Few ODSP Recipients to Employment Supports

### Recommendation 18

*To better help Ontario Disability Support Program (ODSP) recipients to increase their economic independence, we recommend that the Ministry of Children, Community and Social Services (Ministry):*

- *periodically provide information on employment supports to all ODSP recipients who can benefit from them;*
- *assess the disabilities of recipients on the ODSP caseload to determine the proportion and number of recipients who can benefit from participating in employment supports;*
- *explore options to increase the number of ODSP recipients referred to employment supports to help increase the proportion of recipients who become more economically independent;*

**Status:** Little or no progress.

### Details

In our 2019 audit, we noted that the aim of ODSP employment supports is to assist people with disabilities to increase their economic independence through employment. Participation in the program is optional. Even so, we identified that between 2012/13 and 2018/19, just 2% of recipients took part in the employment supports program in any given year.

At the four ODSP offices we visited, we found that in the vast majority of cases we reviewed, caseworkers discussed employment supports with recipients when they first began to receive ODSP benefits. In our survey of caseworkers, 75% told us that actively engaging with ODSP clients was between somewhat and very helpful in assisting them to meet their long-term goals, including employment goals. However, we found that ongoing contact with recipients was infrequent.

In our 2019 audit, we also noted that the Ministry tracks the types of disabilities all ODSP recipients

have, including those participating in employment supports, and it tracks how many individuals caseworkers refer to employment supports service providers. However, we found that the Ministry has not assessed and does not know how many individuals on the ODSP caseload could benefit from participating in employment supports activities.

In our follow-up, we found that the Ministry had not made progress toward implementing these recommendations. The Ministry had not yet taken steps to periodically provide information on employment supports to all ODSP recipients who can benefit from them.

The Ministry indicated that with the transformation of employment services (described in **Recommendation 16**), which is targeted to be rolled out across the province by the end of 2023, it will obtain more information from ODSP recipients interested in employment services. ODSP recipients interested in employment services will complete the Common Assessment tool – an employment readiness assessment tool, shared between the Ministry and Employment Ontario.

The Ministry also expects that with the full implementation of the transformation of employment services by the end of 2023, there will be an increase in the number of ODSP recipients referred to employment supports. The Ministry noted that ODSP caseworkers will have more time to work with ODSP recipients to help them become employment ready, and to refer them to Employment Ontario when appropriate.

- *track additional information from employment support service providers on employment outcomes, monitor whether recipients obtain long-term employment and earn sufficient income to exit from ODSP, and take corrective action where outcomes do not meet Ministry expectations;*
- *review the services provided by employment support service providers to determine whether they are meeting recipients' needs and assess and take steps to ensure they provide value for money;*

- *obtain data from the Ministry of Labour, Training and Skills Development to identify individuals who have been provided similar employment support services by both Employment Ontario service providers and ODSP service providers, and take action to recover payments where two service providers have been paid for the same job placement; and*
- *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.*

**Status: Little or no progress.**

### Details

In our 2019 audit, we found that the Ministry tracks little information about whether ODSP recipients obtain employment in steady, long-term jobs. In addition, although the Ministry does track the total number of individuals who leave ODSP due to employment income, the Ministry does not track the proportion of those individuals who participated in employment supports who left the program because they earned enough to no longer require ODSP support. We noted that an evaluation of the employment supports program commissioned by the Ministry in 2012 highlighted that just 1.5% of ODSP recipients who participated in the program were able to exit ODSP due to their employment earnings.

In our 2019 audit, we also found that the Ministry does not evaluate how service providers use the funding they receive, or what services they provide to ODSP recipients to ensure that the Ministry obtains value for money. We visited 13 service providers and found that the services available to participants varied considerably among providers. For example, some providers paid for some training for participants, such as to achieve basic industry certificates, while others did not. Some providers also had recreation facilities or wellness activities available such as a fitness centre.

We also found that the Ministry does not monitor how service providers achieve their job placements. Our audit identified a risk that some ODSP

employment service providers may be paid for job placements achieved in part or in whole by enrolling their clients in Employment Ontario programs, which are funded by MLTSD. We also found that there is a risk that job placements are being recorded as achieved by both Employment Ontario service providers as well as ODSP employment supports providers, even though they may relate to the same client and the same placement. This would mean that both the Ministry and Employment Ontario may have paid to place the same individual in employment.

In our follow-up, the Ministry identified that it had not made progress toward implementing these recommendations. As described in **Recommendation 16**, social assistance employment services are being integrated into Employment Ontario under MLTSD. The transformed employment services are targeted to be rolled out across the province by the end of 2023. The Ministry identified that the scope of the transformation of employment services includes the development of a monitoring and evaluation framework that is intended to ensure that recipients' needs are met, and that value-for-money is achieved.

## Ministry Has Not Developed Outcome Indicators and Targets to Evaluate if ODSP Goals are Achieved

### Recommendation 19

*To measure and improve the efficiency and effectiveness of the Ontario Disability Support Program (ODSP) for those using its supports and services, and to increase accountability of the program to Ontario taxpayers, we recommend that the Ministry of Children, Community and Social Services:*

- *design and implement performance indicators and related targets for intended program and recipient outcomes;*
- *implement a process to monitor the performance of the program against these indicators and targets and take corrective action where targets are not being met; and*

- *report publicly on the effectiveness of ODSP.*

**Status: Little or no progress.**

### Details

In our 2019 audit, we found that the Ministry has not determined what the desired outcomes for the ODSP program and its recipients are, or developed corresponding performance indicators to track whether these outcomes are met. In addition, we found that the Ministry does not publicly report on any performance measures related to ODSP.

In our follow-up, we found that the Ministry had made little progress in implementing these recommendations. The Ministry has developed a performance measurement framework for ODSP and designed performance indicators to measure program and recipient outcomes. However, the Ministry has not set targets for all its indicators and has not yet established a time frame for doing so. The Ministry indicated that following the release of the performance measurement framework, it will develop a set of monitoring reports to establish and report on performance against outcome targets.