Volume 1, Chapter 3.09—Ontario Disability Support Program
2019 Value-for-Money Audit

Why We Did This Audit

- We have not audited the Ministry of Children, Community and Social Services’ (Ministry) Ontario Disability Support Program (ODSP), since 2009.
- Since our last audit of ODSP, the number of ODSP cases has increased by 50% to more than 370,000 and the cost of the program to the province has increased by approximately 75% from $3.1 billion in 2008/09 to $5.4 billion in 2018/19.

Why It Matters

- ODSP provides income support, including health and other benefits, for Ontarians with disabilities who are in financial need. In 2018/19, more than 510,000 individuals benefited from this program.
- ODSP employment supports can connect people with disabilities to employment so they can live as independently as possible.

What We Found

- 2.5% of Ontarians are on ODSP, which is the highest rate among all Canadian provinces’ disability programs.
- In 2018/19, 42% (27% in 2008/09) of ODSP applicants were confirmed to be disabled and approved to obtain ODSP after only a cursory review of their applications by the Ministry’s disability determination adjudicators (adjudicators). This represents a 56% increase from the time of our last audit in 2008/09. The Ministry has not analyzed the reasons for the increase to ensure these decisions are appropriate and in accordance with the Ontario Disability Support Program Act.
- 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 has no process to assess the appropriateness of disability approval decisions.
- 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 last audit in 2008/09 to 80% in 2018/19. The Ministry rarely requires medical reviews to reconfirm that recipients are still eligible for ODSP. In over 40% of the cases we reviewed, it was not clear how the adjudicator made the decision that no medical review was required.
- Caseworkers often do not complete mandatory verification checks with third parties such as the Canada Revenue Agency and Equifax Canada Inc. to confirm that applicants are financially eligible for ODSP. In addition, ineligible recipients can remain on ODSP because caseworkers rarely review recipients’ ongoing financial eligibility.
- Between April 2015 and March 2019, the Ministry carried out only about 2% of the eligibility verifications it should have performed according to its directives to identify overpayments and remove ineligible recipients from the program. Based on the results of the verifications it completed in 2017/18 (selected at random), 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.
- As of March 31, 2019, approximately 42,000 fraud allegations had not been investigated on time. As well, caseworkers who were investigating fraud allegations were not fully trained to investigate these allegations.
- Since 2009/10, the Ministry has overpaid recipients nearly $1.1 billion and written off approximately $400 million.
- The Social Benefits Tribunal continues to overturn about 60% of the Ministry’s not-disabled decisions appealed to the Tribunal. The rate of overturning Ministry decisions varied from as low as 28% for one Tribunal member to 93% in the case of another member, but there is no internal review at the Tribunal of decisions for quality or consistency.
- Employment outcomes for individuals on ODSP are not improving—fewer than 2% of disabled adults are referred to the Ministry’s employment supports, and about 75% of dependent family members who are not disabled are not participating in mandatory Ontario Works employment assistance activities. This reduces the likelihood of these individuals obtaining employment and reducing their family’s dependence on ODSP.
Conclusions

- The Ministry 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 Ministry is not taking sufficient steps to ensure that recipients continue to be eligible for the program and that non-disabled adults are participating in required Ontario Works employment assistance activities.
- 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.

Read the audit report at www.auditor.on.ca