To: Chair and Members  
Social Services Committee  
Community Services Department  
SSC06019

From: Joe-Anne Priel  
General Manager  
Community Services Department

Telephone: 905 546-4839  
Facsimile: 905 540-5608  
E-mail: jpriel@hamilton.ca

Date: May 24, 2006

Re: 2006 Incentive Funding for Ontario Works Consolidated Verification Process (CVP) (SSC06019) (City Wide)

Council Direction:
Not Applicable

Information:

On January 31, 2001, the Ministry of Community and Social Services (MCSS) announced a new mandated Ontario Works program, the Consolidated Verification Process (CVP). The Consolidated Verification Process (CVP) program is a standardized approach utilized throughout the province for the annual review of social assistance cases. The review ensures that recipients receive the correct amount of assistance and improves program integrity within the social assistance system. It is designed to take several methodologies and integrate them into a single verification process in the context of current program guidelines.

There are several benefits for this formal eligibility review since it ensures that social assistance recipients are receiving all benefits to which they are entitled. In some cases, as a result of this review, it is determined that the client is entitled to increased benefits from Family Support, and/or Employment Supports. Further, the client may have not been paid enough benefits, since often the family situation can change and they are reimbursed for this amount (arrears).

The City of Hamilton benefits as well since the review results in the termination of some recipients as they are no longer deemed to be eligible. It may also be determined that the client was paid too much (overpayment) and/or the circumstances warrant a more detailed review by the Ontario Works Eligibility Review Officers (EROs) which could result in increased revenues for the municipality.
In 2002, the Ministry of Community and Social Services (MCSS) introduced a new funding model (Incentive Funding) for the Consolidated Verification Process (CVP) program. The Ministry of Community and Social Services (MCSS) established baselines and targets based on a percentage of caseload, and if the target was achieved, additional 100% funding was provided to the municipality.

In 2002, targets were achieved, and the additional 100% provincial enhancement funding was received. However, in 2003 and 2004, staff were unable to achieve this target because of restructuring, competing demands and insufficient dedicated staff assigned to this process. In 2005, staff were realigned to the Consolidated Verification Process (CVP) program (currently nine positions provincially funded 100% through CVP revenues), and it is anticipated that these targets (46.99% of Ontario Works caseload) will be achieved in 2006.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>BASELINE</th>
<th>TARGET</th>
<th>MAXIMUM FUNDING</th>
<th>FUNDING EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>1477</td>
<td>* 2159</td>
<td>$446,895</td>
<td>$446,895</td>
</tr>
<tr>
<td>2003</td>
<td>5245</td>
<td>7910</td>
<td>$577,347</td>
<td>$144,337</td>
</tr>
<tr>
<td>2004</td>
<td>5008</td>
<td>7531</td>
<td>$558,931</td>
<td>$279,466</td>
</tr>
<tr>
<td>2005</td>
<td>4900</td>
<td>7421</td>
<td>$562,316</td>
<td>$562,316</td>
</tr>
<tr>
<td>2006</td>
<td>4798</td>
<td>7248</td>
<td>$534,673</td>
<td>** $534,673**</td>
</tr>
</tbody>
</table>

NOTE: *Incentive funding for 2002 was averaged over a three month period (Oct-Dec). The level of funding earned every month was higher in 2002 compared to future years. This took into account the timing of the announcement and the need for CMSM’s to ramp-up by investing resources.

**Staff forecast achieving baseline/targets for 2006.

In 2005, there were a total of 6,885 Consolidated Verification Process (CVP) programs completed on clients. Thirteen percent (916) of these cases were terminated. In addition, there were 97 referrals to the Ontario Works Eligibility Review Officers (EROs), and 893 referrals to Family Support. Further, for the same time period, there were 263 overpayments created, as well as 121 arrears issued back to the client.

In conclusion, the Consolidated Verification Process (CVP) program is currently achieving all targets as mandated by the Ministry of Community and Social Services (MCSS). The additional 100% dollars ($534,673) that staff project to achieve this year, will fund nine Consolidated Verification Process (CVP) programs, with no levy impact. There are several benefits for both the social assistance recipients and the City of Hamilton. In 2007, staff will provide another Consolidated Verification Process (CVP) program update on the outcomes achieved in 2006.
The Community Services Department consults with the Ministry of Community and Social Services (MCSS) through Consolidated Ontario Works Budget Package, which details parameters necessary to receive Enhancement Funding.

_____________________
Joe-Anne Priel
General Manager
Community Services Department