

Ontario Disability Support Program Caseload

Factors Behind Recent Growth

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Issue

- ⊕ What is the explanation behind the growth, in recent years, of the Ontario Disability Support Program (ODSP) caseload?

ODSP Case Types

- ⊕ The ODSP caseload consists of
 - **Disabled caseload** : recipients with a disability as defined under the ODSP Act and grandparented FBA disabled cases
 - **Seniors and others caseload**: recipients aged 65 and older, non-disabled recipients aged 60-64¹ grandparented from FBA, and recipients in chronic care facilities and other institutions
- ⊕ The disabled caseload comprises 95% of the overall ODSP caseload.

¹ Cases are no longer granted in this category since the inception of ODSP.

ODSP Caseload Trends

	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	YTD* 2004/05	Forecast	
								2004/05	2005/06
Disabled Caseload	170,196	173,363	177,966	180,028	182,969	189,690	195,112	196,841	203,144
% change	3.8%	1.9%	2.7%	1.2%	1.6%	3.7%	5.7%	3.8%	3.2%
Seniors and Others Caseload	19,196	16,173	13,919	12,020	11,171	10,397	9,531	9,330	8,978
% change	-10.7%	-15.7%	-13.9%	-13.6%	-7.1%	-6.9%	-8.3%	-10.3%	-3.8%
Non-disabled Aged 60-64	7,914	5,401	3,261	1,462	195	0	0	0	0
% change	-14.4%	-31.8%	-39.6%	-55.2%	-86.7%	-100.0%			
All ODSP	189,392	189,536	191,885	192,048	194,140	200,087	204,643	206,171	212,122
% change	2.1%	0.1%	1.2%	0.1%	1.1%	3.1%	2.3%	3.0%	2.9%

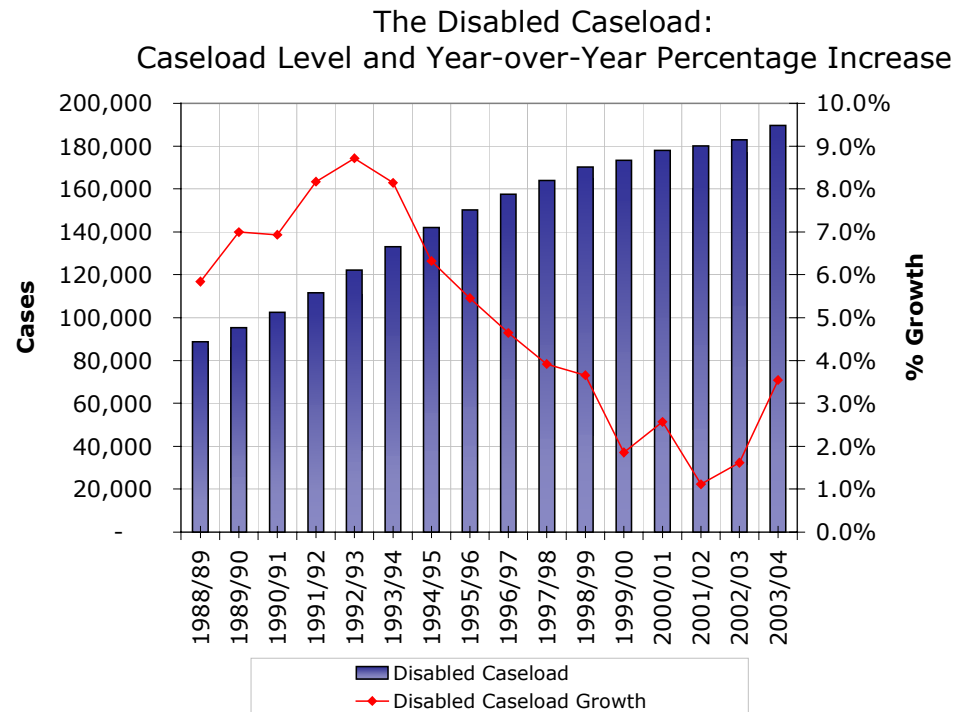
* April to September 2004 caseload

% changes are annualized.

- ⊕ The overall ODSP caseload increased by an annual average of just under 1% between 1998/99 and 2001/02. After showing a modest 1.1% growth in 2002/03, the ODSP caseload increased at a faster rate of 3.1% in 2003/04. In 2004/05, the overall ODSP caseload is forecast to increase by 3.0%.
- ⊕ The source of growth in the overall ODSP caseload is the disabled caseload.
 - The disabled caseload increased by 3.7% in 2003/04 and is forecast to increase by 3.8% in 2004/05.
 - The seniors and others caseload, on the other hand, has been continuously declining primarily due to attrition. The number of non-disabled recipients aged 60-64 grandparented from FBA² declined from about 8,000 in 1998/99 to less than 200 in 2002/03 and dropped to zero in 2003/04.

² Cases are no longer granted in this category since the inception of ODSP.

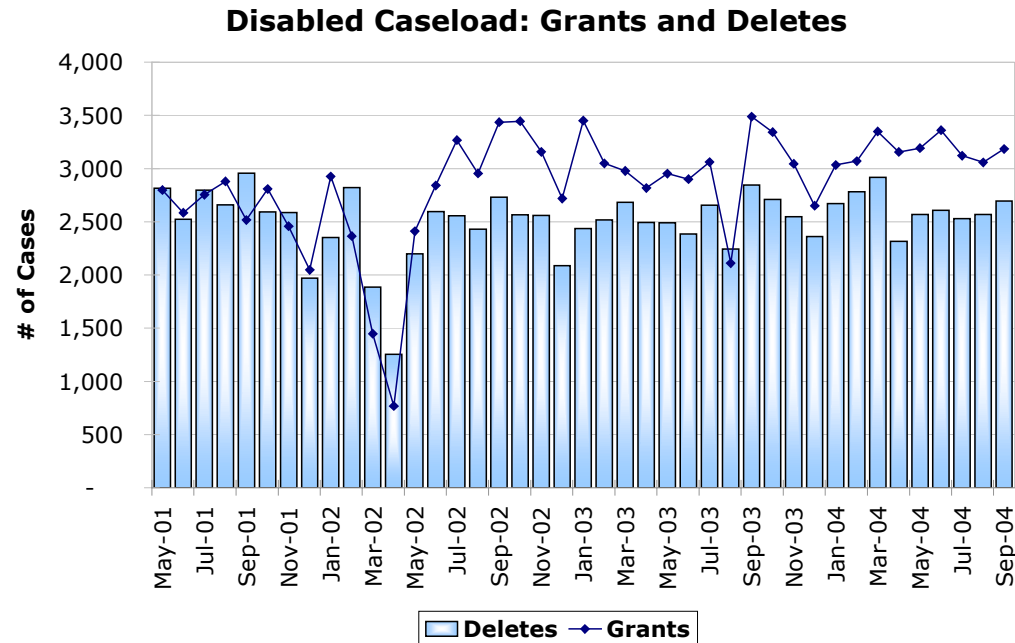
The Disabled Caseload Trend



- ⊕ The rate of growth in the disabled caseload (including FBA PUE cases) peaked in 1992/93. Since then, growth has slowed down.
- ⊕ Between 1997/98 and 1998/99 (when the ODSP was created), the disabled caseload growth levelled off at about 4%.
- ⊕ After 1998/99, the growth rate declined further and remained low until 2002/03 – with an average annual growth rate of 1.9% between 1998/99 and 2002/03.
- ⊕ Since 2002/03, the growth rate has increased and reached 3.7% in 2003/04.

Grants and Deletes among Disabled Cases

- ⊕ The numbers of grants and deletes represent the flow in and out of the disabled caseload.



- ⊕ Recently, the number of disabled cases granted to ODSP has increased whereas the number of cases leaving ODSP has stayed more or less stable.
- ⊕ The average number of grants per month increased from about 2,300 in 2000/01 to about 3,000 cases in 2003/04.
- ⊕ The faster growth rate in the disabled caseload in recent years is, therefore, mainly due to an increase in the number of cases granted to ODSP rather than a decrease in the number of cases leaving ODSP.

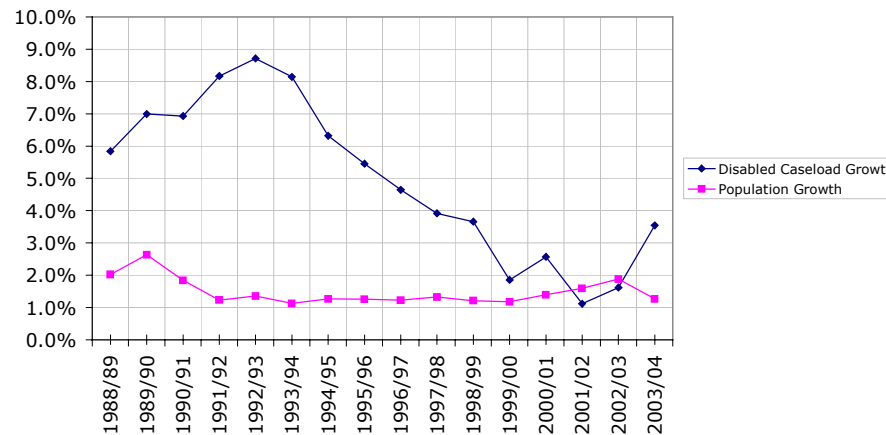
Factors Affecting the Number of Grants

- ⊕ Factors that affect the number of cases granted to ODSP include:
 - ◆ Demographic changes (such as population growth and the incidence of disability);
 - ◆ Policy changes (such as the ODSP Act and the G. case decision³); and
 - ◆ Operational factors (i.e., operational efficiency of the disability adjudication process, and the implementation of SDMT).

³ In April 2002, a decision by the Ontario Court of Appeals regarding the G. case held that ODSP is designed to assist individuals whose disabilities are substantial (interpreted by the Court to mean “significant” not “severe”). The decision also indicated that an individual must be considered in the context of his/her own circumstances. Therefore, age, education and work history must be considered in the second part of the test – that is, when we determine if the substantial impairment results in substantial restrictions in activities of daily living (self-care, ability to function in workplace or community).

Demographic Changes

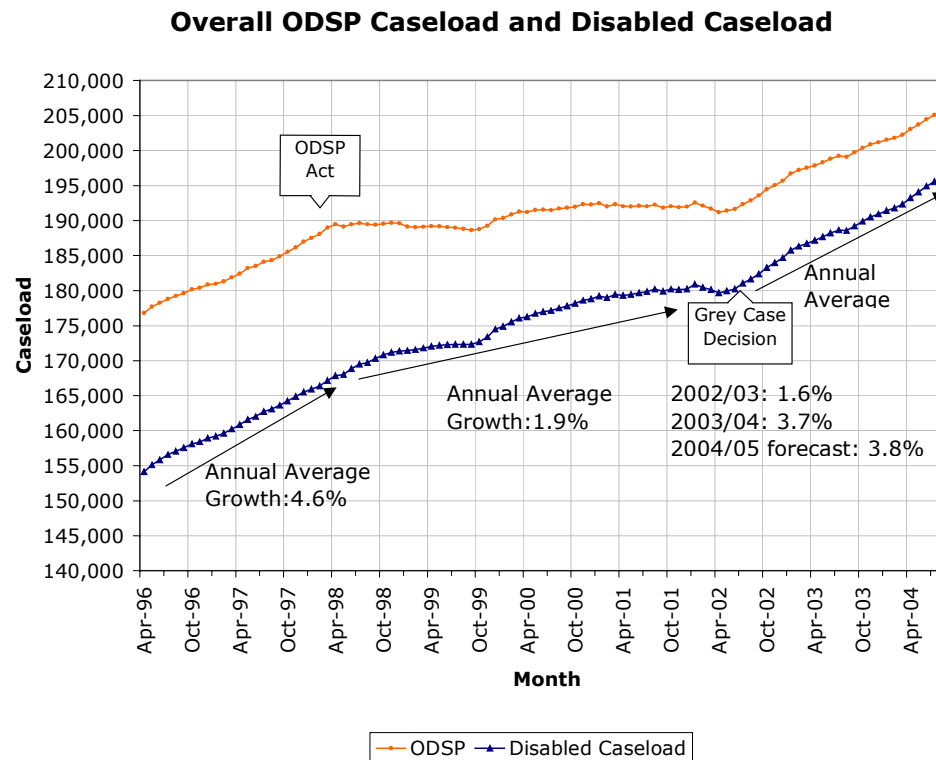
ODSP Disabled Caseload and the Ontario Population: Year over Year Growth



- ⊕ Population growth over the last 15 years has been stable whereas growth in the disabled caseload has shown more variation. This indicates that there is a weak relationship between population growth and caseload growth.
- ⊕ Presumably, there is a more direct relationship between the incidence of disability and the disabled caseload. However, the incidence of disability changes only over long periods of time.
- ⊕ Thus, recent disabled caseload trends are unlikely to have arisen due to demographic changes.

Policy Changes

- ⊕ The Ontario Disability Support Program was created with the proclamation of the ODSP Act in June 1998.
- ⊕ In April 2002, a decision by the Ontario Court of Appeals regarding the G. case held that ODSP is designed to assist individuals whose disabilities are significant, but not necessarily "severe".
- ⊕ The historical trend in the disabled caseload reflects these two major policy changes.



Policy Changes (cont'd)

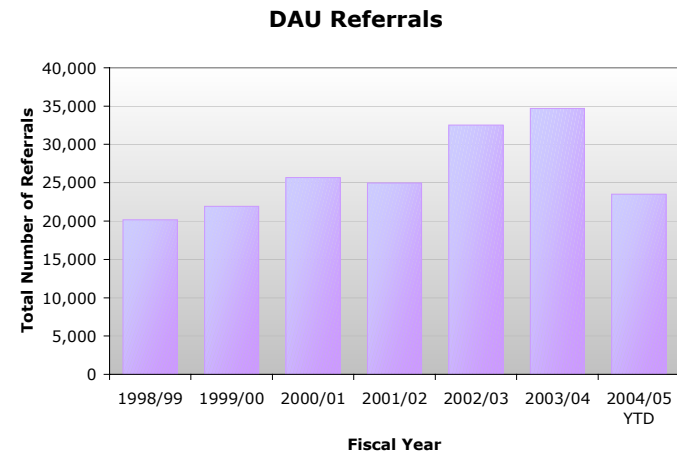
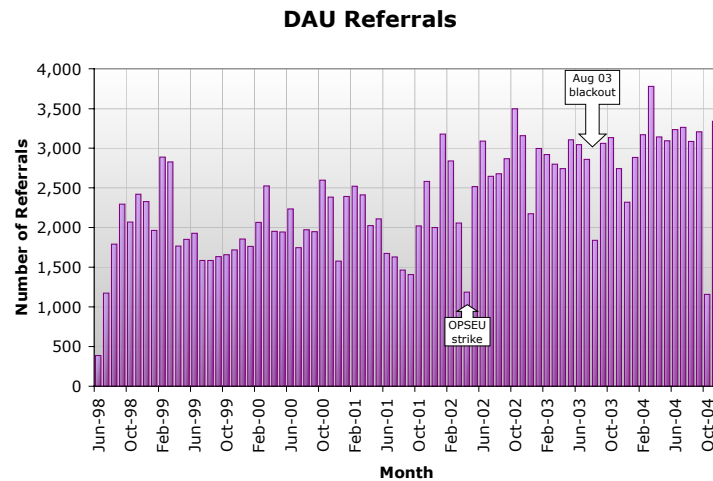
- ⊕ Between 1996/97 and 1998/99, the annual average growth in the disabled caseload was 4.6%.
- ⊕ After the implementation of the ODSP Act, the growth rate significantly declined to an annual average of 1.9%.
- ⊕ Since the implementation of the G. case decision regarding the definition of disability, the actual growth rate has averaged about 3%.
- ⊕ Regression analysis shows that a complete reversal of the ODSP Act (i.e., a policy u-turn to include PUE cases again) could lead to a long-term annual growth rate of about 5.1% in the disabled caseload. The Ministry's disabled caseload forecast, however, projects annual growth of about 3.8%.

Operational Factors

- ⊕ Changes in operational factors, as manifestations of how current policy is being implemented, also affect the rate at which applicants are granted into ODSP.

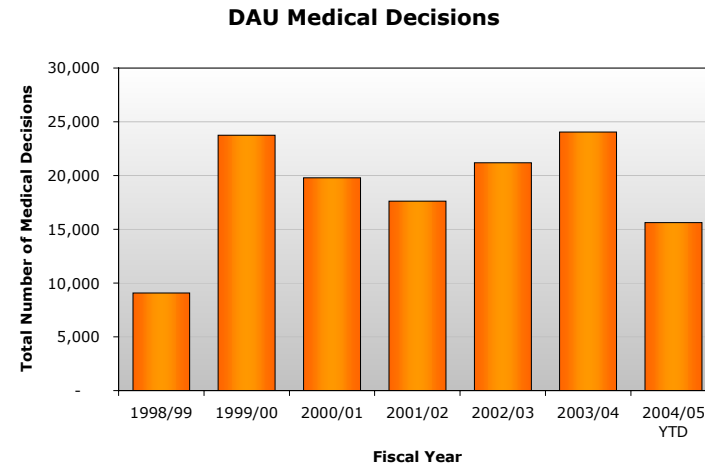
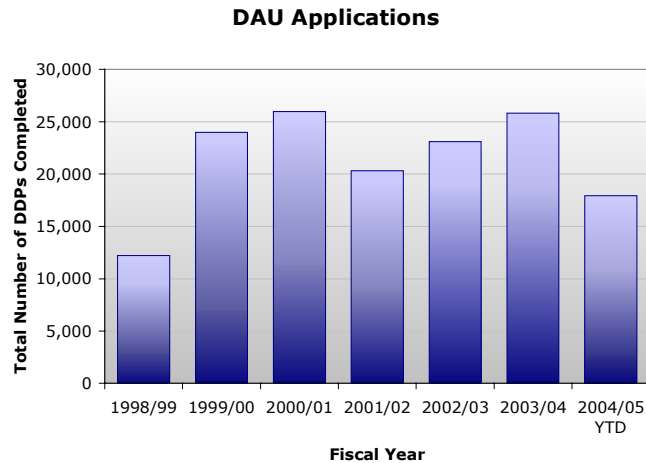
⊕ Referrals to ODSP

- ◆ The number of referrals to the Disability Adjudication Unit (DAU) remained stable between 1998/99 and 2001/02, and has increased steadily since 2002/03.



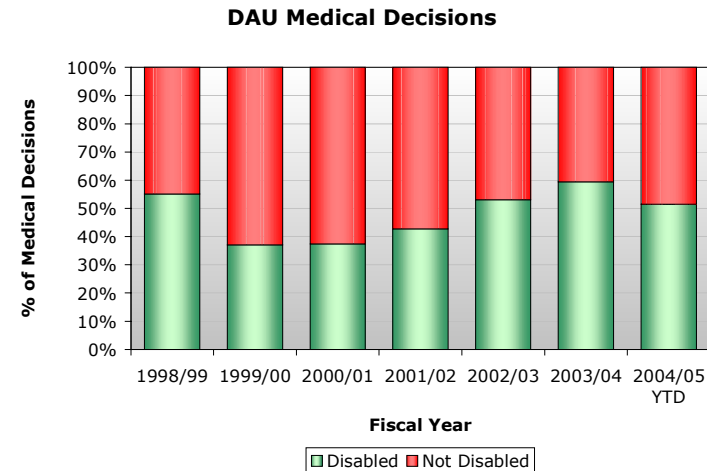
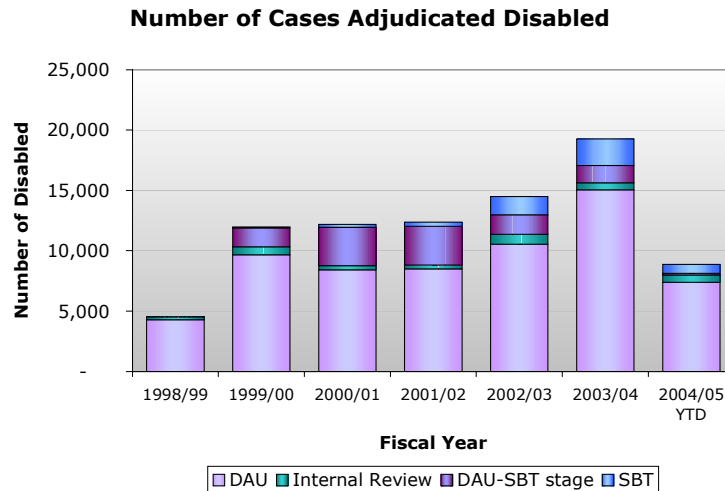
- ◆ The slight dip in the number of referrals in 2001/02 could be attributed to the SDMT transition that may have diverted caseworkers from the normal business of case management to SDMT implementation.
- ◆ The increase in referrals in recent years could also be partly attributed to the G. case decision. Referrals to ODSP could have increased due to more 'G. case'-type cases attempting to be eligible for the program.

⊕ Completed Applications and Medical Decisions



- ◆ A Disability Determination Package (DDP) completed and submitted by an applicant represents an actual application for disability adjudication.
- ◆ Following the trend in the number of referrals to ODSP, the number of completed applications has increased steadily after a slight dip in 2001/02 (presumably due to the SDMT transition).
- ◆ The trend in the number of medical decisions made by the DAU has followed that of the number of applications.

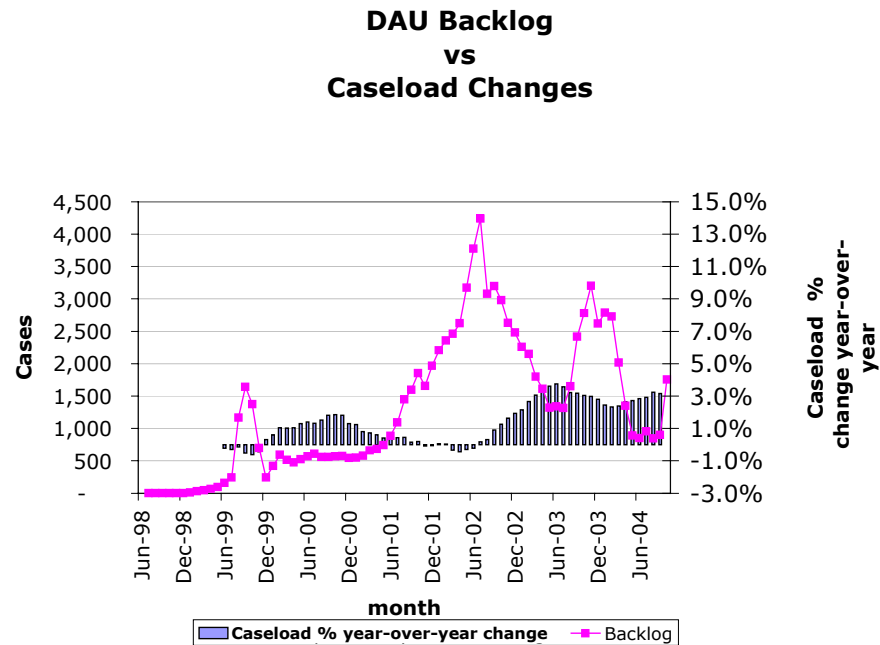
⊕ Applications Adjudicated Disabled



- ◆ In 2003/04, a total of over 19,000 applications were determined disabled, up by 33% compared to 2002/03 and up by 58% compared to 2001/02.
- ◆ One factor that may have contributed to this increase is the higher success rate among applications following the G. case decision.
- ◆ The proportion of applications adjudicated as disabled averaged about 43% before 2002/03. Since 2002/03, this proportion has gone up to an average of about 55%.

⊕ Backlog Clearance

- ◆ Another factor that could explain the recent increase in the number of applications determined disabled is the recent clearance of the backlog of applications being processed.



- ◆ There appears to be a close relationship between caseload changes and the amount of backlog in the disability adjudication process. When the backlog builds up, caseload growth slows down. Following backlog clearance, caseload grows faster.

Conclusion

- ⊕ Changes in demographic variables such as population growth and the incidence of disability occur over long periods of time and are unlikely to influence short-term changes in the ODSP caseload.
- ⊕ Changes in the operational efficiency of the disability adjudication process and in other operational factors, though reflective of the current policy regime, bring about caseload changes that persist only over a very short term.
- ⊕ The Ministry's caseload forecast treats operational cycles as phenomena that persist only over the short term and thus affect the rate at which the caseload changes only over the short run.
- ⊕ Policy changes such as the ODSP Act and the G. case decision remain as the main drivers of the long-term growth in the ODSP caseload.
 - ◆ Although the first half of 2004/05 has seen caseload increase by an annualized rate of about 5.7%, the Ministry projects that the disabled caseload will grow by about 3.8% annually.
 - ◆ The overall ODSP caseload is forecast to increase by about 3% in 2004/05.