

Increasing Social Assistance Clients' Enrolment into the Ontario Electricity Support Program

Options for the Deputy Ministers of the Ministry of
Community and Social Services (MCSS) and the
Ministry of Energy (ENE), and the Chair and Chief
Executive Officer of the Ontario Energy Board (OEB)

May 1, 2017

Confidential Draft to Labour Relations
High Sensitivity

Yellow Confidentiality:
document cannot be
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discussed

Purpose

- To obtain approval from the Deputy Ministers of MCSS and ENE, and the OEB Chair and Chief Executive Officer on the proposed strategy for increasing eligible social assistance clients' enrolment into the Ontario Electricity Support Program (OESP).

OESP Overview

- The Ontario Electricity Support Program (OESP), implemented January 1, 2016, is administered by the Ontario Energy Board (OEB) at the request of the Minister of Energy (ENE). ICF Consulting Canada Inc. is the technology services provider the OEB contracts with to process OESP applications.
- The OESP provides a monthly credit of up to \$50 on eligible low-income households' monthly electricity bill. The maximum monthly credit can be increased to \$75 for those ratepayers who have unique needs and special electricity requirements (e.g. Indigenous, people using certain medical equipment, electric heat).
 - These credit amounts will be increased by 50% and income eligibility will be enhanced as part of the Fair Hydro Plan.
- Residents whose household income falls below the level set by Statistics Canada's Low Income Measure are eligible. The eligible amount depends on the applicant's total household income and number of people in the house.
- Eligible consumers need to re-qualify every 2 years, while seniors (65+ years old) and CPP permanent disability pension recipients have an eligibility period of 5 years.
- ODSP and Ontario Works recipients, like all applicants, may apply for OESP using one of three methods:
 - Online Self-Serve Application
 - Assisted Online Application or Manual Application (both with social agency partner)
 - Self-Serve Paper Application

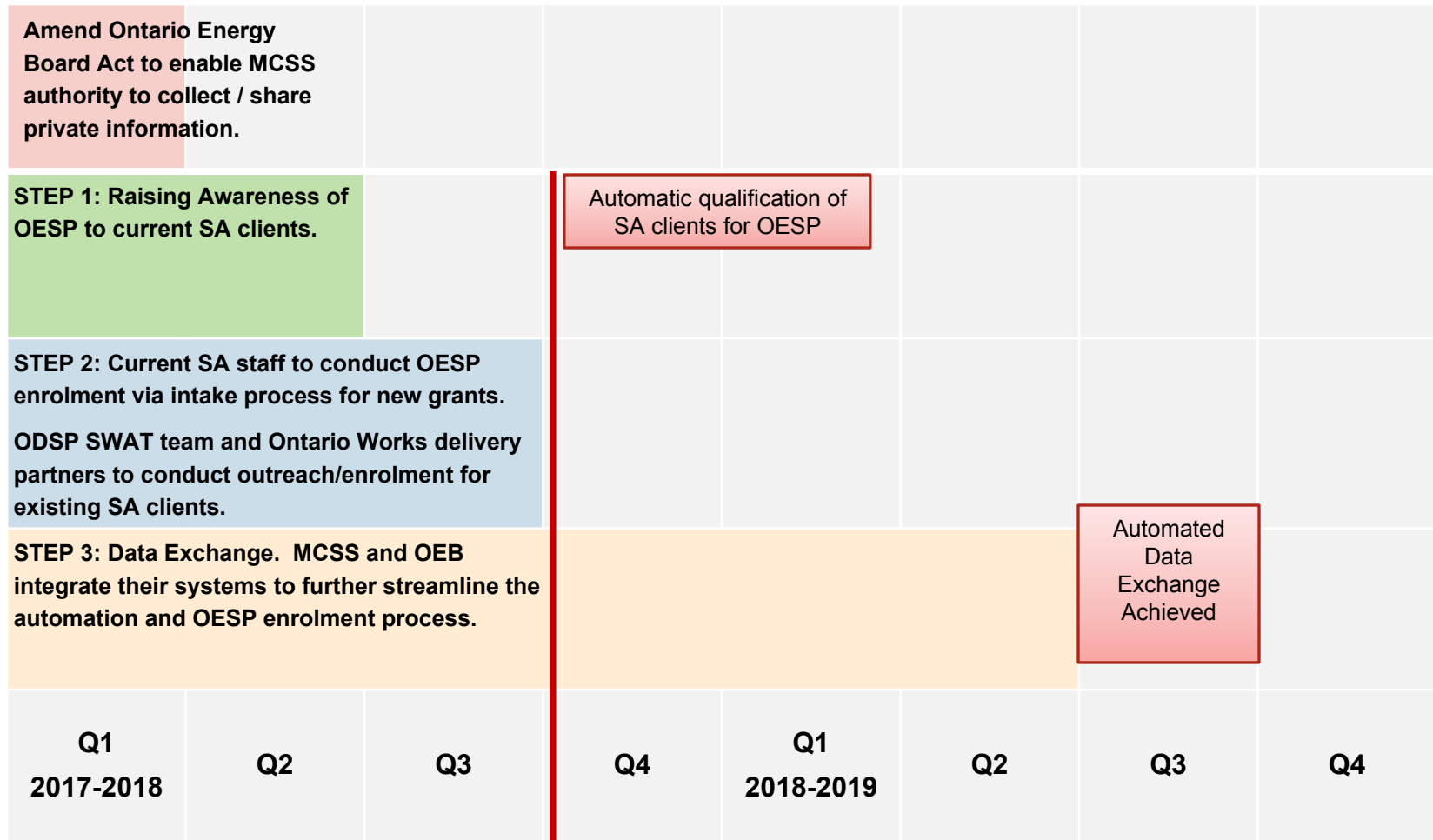
Social Assistance Clients' Uptake of OESP

- Under ODSP and Ontario Works, OESP credits are exempt as income. The amount of a social assistance recipient's electricity bill prior to the application of the OESP credit is applied to the shelter allowance; hence the shelter allowance is not reduced as a result of the credit.
- When OESP was launched in January 2016, social assistance clients received cheque inserts about OESP and social assistance offices were provided with a memo, Qs and As, webinar training for OW/ODSP staff and an OEB digital toolkit (including brochures, backgrounders, office posters, etc.) to explain and help promote it to clients.
- Over 185,000 Ontarians have been enrolled in the program representing 33% of the total targeted low-income population and some 290,000 applications have been received.
- Based on SAMS data, there are an estimated 43,312 Ontario Works clients and 65,299 ODSP clients who receive hydro bills directly. Currently, it is not known how many social assistance clients have enrolled in OESP.
- As outlined in the subsequent slides, MCSS, OEB and ENE have collaboratively developed a strategy for increasing the uptake of existing and potential social assistance clients into OESP.

Overview of the Strategy

- The OEB, ENE and MCSS strategy is organized under three key activities:
 1. Raise awareness of OESP through communication to all social assistance clients, with accompanying communications and supports to social assistance staff.
 2. Support eligible social assistance clients' applications to OESP by:
 - Incorporating the OESP enrolment process into the social assistance intake process to support new grants. An ODSP SWAT team would be established to support existing clients. Ontario Works delivery agents would develop their own approaches to enrol clients.
 - Aligning social assistance income calculations with the OESP credit matrix (e.g. combination of income + household size). The credit would apply only to those social assistance clients who are eligible for OESP (e.g. who pay hydro and are utility account holders).
 3. Enable a SAMS data exchange with OEB to automatically enroll eligible social assistance clients into OESP.

Proposed Critical Path



*See appendix A for detailed critical path

Step 1- Raising Awareness

- **Raise awareness of OESP for social assistance clients, as well as social assistance staff so they can effectively support potential applicants**
 - **2-4 Month Implementation**
- Communication outreach to current social assistance clients that pay hydro to ensure awareness of the program for those who have not yet enrolled.
 - Would align with broader announcements about the Fair Hydro Plan, e.g. OESP enhancements, including increases to credit amounts.
 - A detailed communications plan is being developed that will outline scope of the activities and products, and support the larger implementation planning.
- The outreach would entail communication material such as letters/mailings, without the need for social assistance or OEB/ICF field staff involvement.
- Foster social assistance staff awareness of OESP through memos, Qs and As, business processes, swim lanes, additional training on OESP for front line staff.

Key Considerations and Risks:

- Enhancements to OESP through the Fair Hydro Plan, along with a streamlined process to enroll social assistance clients will generally be viewed favourably among clients and stakeholders.
- OEB has committed to providing communication material for MCSS to distribute.
- Entails low risk of negative public or stakeholder response.
- Entails low risk that social assistance staff react negatively to increased information to digest.
- Uses already existing resources.

Step 2- Increasing Uptake

- **Incorporate OESP enrolment into the social assistance intake process for new applicants/grants**
 - **To reach current eligible clients, a temporary ODSP SWAT team would be established and Ontario Works delivery agents would develop local approaches to implementation**
 - **4-6 Month Implementation**
- Current social assistance staff conduct OESP enrolment by incorporating it into the social assistance intake process to support new grants. The SWAT team conducts high-touch outreach/enrolment of existing social assistance clients. In both circumstances, staff will use SA information (e.g. benefit unit size and total family income level).
- Key Considerations and Risks:
- MCSS requires legislative authority to engage SA clients and collect the information needed for OESP applications, and to share that information with the OEB. ENE is including these powers in the Ontario Energy Board Act, which is being amended to implement aspects of the Ontario Fair Hydro Plan (Cabinet date: May 10, 2017).
 - We will need to confirm the extent to which the legislation can ease requirements to obtain client consent.
 - OESP and OW/ODSP eligibility thresholds are already closely aligned – ENE will make regulatory changes to ensure that all eligible social assistance clients would be eligible for OESP.
 - Would require modification to existing SA work streams with additional resourcing. An ODSP SWAT team would be established to manage existing SA cases and revised business processes and tools will be provided to SA staff to support enrolment of new clients. Each Ontario Works delivery agent would develop/manage their own approaches to implementation.
 - Entails some management of labour relations issues (e.g. the role of social assistance staff in assisting with application process).
 - Workload increase for existing front-line staff processing new applicants at intake.
 - Will require a change management plan impacting approximately 12,000 staff. May require vendor support to develop and provide training.
 - Reduces or eliminates timing dependencies on OEB to change their policies, programs, systems or operational structures. MCSS can leverage existing supports from OEB for business process and training.
 - Concerns may be raised by existing social service providers around duplication of services and reduced funding (e.g., as social assistance offices conduct intake, providers may see a reduction in funds provided for each completed OESP application).
 - ONWAA would continue to provide services for First Nations communities and we are working with ONWAA to understand how best to ensure First Nations' uninterrupted access to OESP.

Step 3- Increasing uptake: Data Exchange

- **Data Exchange**
 - **12 Month Implementation**

- A modified eligibility criteria for social assistance clients and MOU enable social assistance clients' electronic/automatic enrolment into OESP through SAMS.

Key Considerations and Risks:

- As noted in Step 2, ENE will make regulatory and legislative amendments to ensure SA client eligibility for OESP and to enable MCSS to collect / share data with the OEB.
- Resources required to enhance OESP automated workflow system, policies, procedures and forms.
- Entails OEB and MCSS operational and technological process changes to reflect the new application information and any new credit/matrix.
- An interface could not be developed/implemented until Q2 2018, at the earliest.
- Provides adequate time to fully explore and mitigate risks associated with new processes, program eligibility structures, and operational requirements.
- Concerns may be raised by existing providers around reduced funding.
- Social assistance staff would still be supported with a change management framework (e.g. communication material, SAMS user guides, business processes).
- As First Nations communities do not use SAMS, the client application process they use is not expected to change.

Additional Steps for Implementation

1. The social assistance client must also be a utility account holder. This is consistent with how the OESP is currently administered (credits are only provided on bills).
 - The Ministry of Housing is currently looking at options that would enable Ontarians that do not receive bills to directly benefit from on-bill efforts to reduce energy costs.
 - The Ministry of Energy will support these efforts and consider potential changes in the future to ensure broader OESP application.
2. The OEB will accept MCSS income verification processes for OESP eligibility.
 - MCSS uses family Benefit Unit for SA eligibility, whereas the OESP uses Household, which generally does not discriminate based on family unit.
 - However, since there is very close alignment between MCSS and OESP eligibility criteria and we will map social assistance clients onto the existing OESP credit matrix, this difference should not present any implementation issues. There may be some perception of inequity that can be addressed via communications.
3. All social assistance recipients will be automatically eligible for OESP.
 - There are some SA eligibility categories that are not captured in the OESP. The Ministry of Energy will make regulatory changes to the OESP regulation to ensure that all SA clients receiving an electricity bill are eligible.
4. A tri-lateral (MCSS-OEB-ENE) governance structure will need to be established to support overall implementation activities.
5. ENE and MCSS will establish mechanisms for flowing funds appropriated for the purposes of implementing changes to the OESP, which includes pursuing additional measures to substantially increase program uptake.

Cost Estimates

MCSS Cost Estimate Breakdown	2017/18	2018/19
Ontario Works – Transfer Payment	\$1.75M	\$0.88M
ODSP - DOE	\$1.63M	\$0.82M
ODSP - ODOE	\$1.17M	\$0.24M
Total \$	\$4.55M	\$1.93M
Total Temp FTE Impact for OW and ODSP: 42		
Notes: • Permanent increase in work effort to intake stream (approx. \$1.8M; 18 FTEs) • 2018/19 includes six months of expenditures, excluding one-time costs		

- OEB / ICF costs and confirmation of timelines are TBD as we have not yet had external discussions on the proposed approach.

Next Steps

Staff Actions

- MCSS, OEB and ENE staff to continue discussions regarding implementation, focusing on identifying the potential legal issues, detailed costs, timelines and available vehicles for implementing the option(s), and share a project plan with ADMs and the OEB VP.
- MCSS, OEB and ENE would begin to have more specific discussions on the implementation activities with delivery partners and manage any concerns or resistance to changes.

Legislative / Regulatory Actions

- As part of the Ontario Fair Hydro Plan, a number of changes will be made to the OESP which will align with and support the strategy:
 - On April 10th, LRC approved an increase to the credit amounts by 50%, and increase the number of customers that will be eligible for the program. The regulation outlining the 50% increase to OESP credits and the additional eligibility was posted on April 19th.
 - Further legislative and regulatory amendments will shift OESP funding from rate base to tax base, create necessary authorities, and ensure OESP eligibility of all current / new SA clients receiving electricity bills. Effective dates will be staggered:
 - MCSS authorities to collect / share data – Royal Assent;
 - OESP eligibility for all SA clients – July 1, 2017; and
 - Moving OESP from the rate base to the tax base – to be proclaimed at a later date.
 - A report back to TB/MBC on the status of Fair Hydro Plan implementation (date TBD).

Approval

- ☐ We approve the strategy as presented.
- ☐ We approve the strategy with the following changes:

Proposed Critical Path

