

# Ontario Disability Support Program - Income Support Directives

## 9.19 - Transitional Health Benefit

### Summary of Legislation

Recipients who leave ODSP for employment can continue to receive coverage for prescription drugs and basic dental and vision care benefits unless or until the employer provides coverage that is comparable to the benefits available under ODSP.

### Legislative Authority

[Section 11.1 \(1\) of the Ministry of Community and Social Services Act](#)

### Summary of Directive

Recipients and eligible members of the benefit unit can receive the Transitional Health Benefit if the recipient is no longer financially eligible for ODSP income support as a result of employment earnings, paid training or income from self-employment and if comparable benefits are not provided by the employer.

Eligible members of the benefit unit include the recipient, spouse and dependent children. Dependent adults are not eligible for the Transitional Health Benefit.

The Transitional Health Benefit includes:

- prescription drugs;
- basic dental benefits; and,
- vision care benefits, including routine eye examinations.

The Transitional Health Benefit can be provided to eligible ODSP recipients until comparable coverage is available from the employer.

### Intent of Policy

To encourage recipients to accept employment and become financially independent by removing the fear of losing ODSP health benefits.

### Application of Policy

#### Eligibility

The Transitional Health Benefit is available to any recipient (and eligible members of the benefit unit) who is a resident of Ontario and who ceases to be eligible for ODSP Income Support due to the following:

- The income of the recipient, including members of the benefit unit, equals or exceeds their budgetary requirements; **and**
- The income of the recipient, including members of the benefit unit, includes earnings from employment or a training program, or net positive income from self-employment; **and**
- The employer does not provide health benefit coverage that is comparable to benefit coverage under the Transitional Health Benefit.

### **Determining Eligibility**

Recipients who become ineligible for ODSP due to income in excess where income includes employment earnings, paid training or net positive income from self employment should be assessed for eligibility for the Extended Health Benefit first.

The Extended Health Benefit is available to ODSP recipients and members of the benefit unit with high health costs to reduce the impact of losing health care benefits as a result of income exceeding the budgetary requirements. (See [Directive 9.10 Extended Health Benefit](#)) for eligibility requirements. Recipients cannot receive both the Extended Health Benefit and the Transitional Health Benefit.

If a recipient is not eligible for the Extended Health Benefit, staff should assess eligibility for the Transitional Health Benefit by ensuring the recipient's income includes employment earnings, paid training, or net positive income from self-employment and determining whether the employer provides health benefit coverage that is comparable to benefit coverage under the Transitional Health Benefit.

If the employer provides health benefit coverage that is comparable to benefit coverage under the Transitional Health Benefit, the recipient is not eligible for the Transitional Health Benefit. (See section below on "Benefits Covered by the Transitional Health Benefit.") Otherwise, the recipient and eligible members of the benefit unit will continue to receive a drug card, dental card and vision care benefits.

Unlike the Extended Health Benefit, there is no requirement that a recipient have high health costs relative to their income to be eligible for the Transitional Health Benefit. Where the recipient meets all eligibility requirements for the Transitional Health Benefit, they can begin to receive the benefit in the month following the month he/she becomes ineligible for Income Support.

Where an employed recipient is not eligible for Transitional Health Benefit (i.e. receiving comparable employer health benefits) and then moves to employment where comparable employer health benefits are not provided, the recipient may be eligible for the Transitional Health Benefit if they meet all eligibility criteria.

**Benefits Covered by the Transitional Health Benefit**

<p><b>Drug Coverage</b></p>	<ul style="list-style-type: none"> <li>• The cost of drugs prescribed by an approved health professional for members of the ODSP benefit unit are covered if the drugs have been approved by the Ministry of Health and Long-Term Care (MOHLTC) and purchased from a dispensary during any month in which the recipient requiring the drugs is a member of the benefit unit. (See <a href="#">Directive 9.8 Drug Benefits</a>)</li> <li>• Recipients and eligible members of the benefit unit will receive a drug card to access this benefit.</li> </ul>
<p><b>Dental Coverage</b></p>	<ul style="list-style-type: none"> <li>• The cost of dental services, procedures, and fees outlined in the MCSS Schedule of Dental Services and Fees. (See <a href="#">Directive 9.7 Dental Benefits</a>)</li> <li>• Recipients and eligible members of the benefit unit will receive a dental card to access this benefit</li> </ul>
<p><b>Vision Care Benefits</b></p>	<ul style="list-style-type: none"> <li>• A new pair of frames and lenses every 3 years, if requested. (Children may receive replacement lenses and/or frames as needed without restrictions)</li> <li>• Routine eye examinations once every 24 months where not covered by OHIP.</li> </ul>

**Transitional Health Benefit Grant Letter**

Once the recipient's eligibility for the Transitional Health Benefit is confirmed, the recipient signs the Transitional Health Benefit Grant Letter. This letter outlines the information and documentation required to receive the Transitional Health Benefit.

The recipient signs the grant letter to acknowledge that they meet the eligibility requirements for the Transitional Health Benefit. The grant letter will be valid for a

one-year period, subject to changes in the recipient's circumstances. On an annual basis, staff will reconfirm eligibility and have the recipient sign a new grant letter if the recipient continues to be eligible for the Transitional Health Benefit.

When providing the Transitional Health Benefit, staff should document in SDMT that the recipient's employer benefit plan has been verified. The Transitional Health Benefit Grant Letter must be completed in full, and signed by the recipient and spouse, if applicable. Information concerning the employer benefit plan and all supporting documents should be kept on file. A signed copy of the grant letter is retained on the master file, and a copy provided to the recipient.

As part of the Transitional Health Benefit application process, the Rapid Reinstatement provisions should be outlined by staff to inform the recipient that, if they lose their employment, they can be rapidly reinstated if they qualify financially and meet certain eligibility conditions.

#### **Voluntary Withdrawals from the Transitional Health Benefit**

A recipient may request to withdraw from receiving the Transitional Health Benefit. If the request is made in writing, the letter shall be attached to the Transitional Health Benefit Grant Letter and filed. If the request is made verbally, staff should advise the recipient to submit a letter regarding the request. If not received, the request to withdraw is documented in SDMT and the benefits are terminated.

#### **Hyperlinks Associated with this Policy Directive**

##### **Related Directives**

[1.3 Rapid Reinstatement](#)

[9.7 Dental Benefits](#)

[9.8 Drug Benefits](#)

[9.10 Extended Health Benefit](#)

[9.14 Vision Care Benefits](#)