

ODSP Eligibility and Repayment after receiving Compensation from a Lawsuit

In determining your eligibility for Ontario Disability Support Program (ODSP) income support, the ODSP Director will determine whether your budgetary requirements exceed your **income** and whether your **assets** exceed a specified amount.

Before receiving ODSP you may have to sign an **agreement** to pay back your ODSP benefits if you recover money in a lawsuit. Even if there is no signed agreement, the ODSP Director may be entitled to claim reimbursement from money you receive in a lawsuit. You are required to **notify** the ODSP Director of any lawsuits that you start or of your receipt *or expected* receipt of income or other financial resources.

However, the following money received in a lawsuit **may be exempt** from the requirement to repay:

- Payments that are **not considered to be income or assets**; or
- Income that is paid with respect to a period after the period when the ODSP is actually received.

The following amounts may not be considered as **income** or **assets**, and so may be excluded from the requirement to pay back ODSP benefits and may not be considered in determining your eligibility to continue to receive ODSP benefits after receiving money from the lawsuit:

- (a) \$5,000 for the person receiving ODSP benefits, \$2,500 for his/her spouse and \$500 for each other dependant or an amount greater than these amounts, if it relates to **goods, services or other disability related**

items which are necessary for the health of the person;

- (b) An amount received in a lawsuit for **pain and suffering**;
- (c) **Reasonable expenses incurred** or to be incurred as a result of injury;
- (d) An amount received in a lawsuit for the **loss of care, guidance and companionship** as a result of the death or injury to a family member;

However, the total amount that may be allowed as an exemption under (b), (c), and (d) is **\$100,000, unless** the ODSP Director is satisfied that the person has made appropriate arrangements for the administration of the amount exceeding \$100,000 and it relates to:

- i. Reasonable expenses incurred or to be incurred as a result of injury;
- ii. Expenses for disability related items or services approved by the ODSP Director; or
- iii. Education or training expenses incurred because of a disability.

If you receive money from a lawsuit you may or may not have to pay back ODSP benefits. It will depend on the type and amount of lawsuit compensation.

Compensation received for income loss may be required to be used to pay back ODSP benefits. Compensation for pain and suffering or for injury related expenses may be exempt up to \$100,000 or in some cases an amount greater than \$100,000.

It is important to have a careful assessment of the type of compensation that may be recovered to determine whether you will be required to repay ODSP benefits and whether you will continue to be eligible for ODSP benefits after obtaining compensation in a lawsuit.

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