



# Written Submission for 2026/27 Federal Pre-Budget Consultations



## Recommendations:

1. **Amend the federal medical expense tax credit rules** to eliminate the requirement for a disability certificate, Form T2201, to claim part-time attendant care in the home, helping ensure the Ontario Seniors Care at Home Tax Credit reaches more Ontario seniors who rely on family-funded home care to age at home.
2. **Expand the GST/HST exemption in the *Excise Tax Act* for services rendered to individuals by certain health care practitioners** to include professional services provided by registered personal support workers (PSWs). This would recognize PSW services as essential health care supports and remove a tax barrier that increases the cost of care for seniors and families purchasing care at home.

## Introduction:

The importance of home care to Canada's health care system continues to grow as the population ages and more seniors choose to age at home. As governments work to make life more affordable, strengthen health care, and help Canadians age with dignity, home care must be recognized as an essential part of the solution.

Across Ontario, families are already playing a major role in supporting seniors to remain at home. Home Care Ontario estimates that more than 150,000 families in Ontario purchase over 20 million hours of family-funded (i.e. privately paid) home care services each year. These services help seniors live more independently, remain in their homes longer, and avoid preventable accidents, illnesses, hospital visits, and premature moves into long-term care.

Family-funded home care also supports Canada's publicly funded health care system. By helping seniors receive the right care, in the right place, at the right time, home care can reduce pressure on emergency departments, primary care, and long-term care while improving quality of life for seniors and their families. It is a practical, cost-effective way to support better outcomes and better value for public dollars.

However, the rising cost of care is placing growing pressure on seniors and family caregivers. A recent study from the Ontario Caregiver Coalition found that financial assistance is caregivers' most important unmet need, ranking higher than more traditional policy priorities such as health care system navigation or mental health supports. This finding underscores the need for targeted federal action to make care at home more affordable for seniors and the families who support them.

Home Care Ontario therefore recommends that the federal government take two targeted, practical steps to help make care at home more affordable, support family caregivers, and help more seniors age with dignity in the homes and communities they know:

1. **Amend the federal medical expense tax credit rules** to eliminate the requirement for a disability certificate, Form T2201, to claim part-time attendant care in the home, helping ensure the Ontario Seniors Care at Home Tax Credit reaches more Ontario seniors who rely on family-funded home care to age at home.
2. **Expand the GST/HST exemption in the *Excise Tax Act* for services rendered to individuals by certain health care practitioners** to include professional services provided by registered personal support workers.

## Recommendation 1: Remove the Disability Certificate Requirement to Claim the OSCAH Tax Credit for Part-Time Attendant Care at Home

### Background:

Ontario's home care system is playing an increasingly important role in supporting seniors, families and the broader health care system. As Canada's population ages and demand for care continues to outpace available publicly funded resources, more seniors and their families are paying out of pocket for home care or supplementing the care they already receive.

To help offset these costs, the Government of Ontario introduced the Ontario Seniors Care at Home Tax Credit (OSCAH) in 2022. This refundable tax credit is an important affordability measure for seniors and families who rely on in-home care services to remain healthy, safe and independent at home.

Home care helps seniors live more independently, remain in their homes longer, and avoid preventable accidents, illnesses, hospital visits and premature moves into long-term care. In many cases, just a few hours of care each week can make the difference between aging safely at home and requiring more intensive, higher-cost care elsewhere.

### The Issue:

The OSCAH provides a refundable personal income tax credit of up to \$1,500. However, eligible expenses for the OSCAH must also qualify under federal medical expense tax credit rules. For part-time attendant care in the home, those rules currently require a disability certificate, Form T2201.

This requirement creates a significant barrier for many seniors who rely on family-funded home care. While many home care recipients live with physical, cognitive or mental health challenges, they may not meet the Canada Revenue Agency's eligibility criteria for a disability certificate. As a result, many seniors are unable to claim expenses for the in-home care they depend on to remain healthy, safe and independent at home.

This is both a health care issue and an affordability issue. When seniors and families cannot access tax relief for necessary home care expenses, they are left to absorb more of the cost themselves at a time when household budgets are already under pressure. Removing this

barrier would help make care at home more affordable, support family caregivers, and reduce pressure on hospitals, emergency departments and long-term care.

Home Care Ontario was heartened to see the federal government's commitment to review the Disability Tax Credit system in its latest spring update, including steps to expand the list of providers who can complete the relevant forms and reduce the burden of annual re-approvals. We urge the government to take the next step by ensuring that seniors who need part-time attendant care at home are not prevented from accessing affordability supports solely because they do not have a disability certificate.

### Recommendation:

**Amend the federal medical expense tax credit rules** to eliminate the requirement for a disability certificate, Form T2201, to claim part-time attendant care in the home, helping ensure the Ontario Seniors Care at Home Tax Credit reaches more Ontario seniors who rely on family-funded home care to age at home.

## Recommendation 2: Expand the GST/HST exemption in the *Excise Tax Act* to include services provided by registered Personal Support Workers (PSWs).

### Background:

The GST/HST rules for home care have not kept pace with the changing role of home care in Canada's health care system. Under current rules, family-funded home care services may be exempt only in limited circumstances, including when a client is receiving government-funded or publicly subsidized support.

This approach places a difficult and unnecessary administrative burden on providers, who must determine whether a client is receiving publicly funded supports before deciding whether GST/HST applies to their invoices. Because a client's medical circumstances, funding status, or care setting can change quickly, it can be difficult for providers to confirm on an ongoing basis whether their client's care qualifies for a GST/HST exemption.

As more seniors and families purchase home care directly to remain safe and independent at home, the tax system should support affordability and access to care, not create added cost and complexity.

### The Issue:

Government officials have previously indicated that GST/HST exemptions for health care services are generally reserved for services provided by regulated health care practitioners. Historically, PSWs have not been included in this category because the profession did not have a consistent regulatory oversight framework in place.

That landscape has changed.

Ontario has established a statutory regulatory oversight regime for registered PSWs through the Health and Supportive Care Providers Oversight Authority. The Authority is an independent regulatory body accountable to the Ontario government under the *Health and Supportive Care Providers Oversight Authority Act, 2021*, with a mandate to register and provide oversight of personal support workers.

This is part of a broader shift across Canada. Formal regulation, registration, certification or oversight frameworks for PSWs and equivalent workers now exist in at least five jurisdictions: Ontario, Nova Scotia, Alberta, British Columbia and New Brunswick, with New Brunswick's being a voluntary occupational certification program.

Taken together, these developments demonstrate that the PSW workforce is no longer operating outside formal oversight. With at least five jurisdictions now recognizing the need for regulation, registration, certification or oversight of this workforce, the policy rationale for excluding professional services provided by registered PSWs from the GST/HST exemption no longer applies.

Registered PSWs provide essential health and supportive care that helps seniors remain at home, supports family caregivers, and reduces pressure on hospitals and long-term care. Expanding the exemption would recognize the essential role of registered PSWs in Canada's health care system and help make care at home more affordable for seniors and families.

### Recommendation:

**Expand the GST/HST exemption in the *Excise Tax Act* for services rendered to individuals by certain health care practitioners** to include professional services provided by registered personal support workers. This would recognize PSW services as essential health care supports and remove a tax barrier that increases the cost of care for seniors and families purchasing care at home.

### About Home Care Ontario:

Home Care Ontario is a member-based organization representing the full spectrum of home care providers in the province, including publicly-funded, not-for-profit and family-funded organizations. Our members are united by a singular mission to provide outstanding nursing care, home support services, personal care, physiotherapy, occupational therapy, respiratory therapy, infusion pharmacy, social work, dietetics, speech language therapy and medical equipment and supplies to people in the comfort of their homes.