



Ontario Home Health
Care
Providers' Association



Ontario Community
Support Association

Home Care Worker Compensation

September 2000

Final Draft

Introduction

Wage disparity between the community and institutional sectors in health care is a serious concern leading to significant recruitment and retention problems for all service providers delivery in home and community health care in Ontario.¹ As advocates for the home care sector, the Ontario Home Health Care Providers Association (OHHCPA) and the Ontario Community Support Association (OCSA) have worked collaboratively to advocate for change to address the on-going issues related to wage disparity in compensation.

The wage gap between those employed in home and community care, and those employed in facility care (long term care, chronic care and acute care) is historic and pre-dates the system-wide health care reform efforts that have occurred over the past decade. Health care reform, particularly in the acute care system, has created a concomitant demand for 24 hour/7 day access home care and an ever-increasing range of complex health care treatments to be provided in the community. Clearly, as the health system continues to decrease its reliance on the institutional sector and transfer care to the home, acuity will increase as will the need for skilled workers.

This paper is intended to alert stakeholders of Ontario 's health system to the wage gap emerging between different sectors in the health care system due to recent compensation advances in the institutional (acute and long term care) sector. These advances are resulting in a migration of skilled home health care workers to other sectors of our health care system to take advantage of opportunities for better compensation packages. As well, there are increased job opportunities in the wider labour market caused by a buoyant provincial economy, which also offers better compensation. All home and community care service providers across the province now report serious difficulty in the recruitment and retention of skilled workers due to these factors. This situation has, in turn, led to an increase in waiting lists for community-based services.¹

OHHCPA and OCSA have been active in calling for increases in compensation, for all home and community health care workers, including nurses, therapists, homemakers and other community support staff. Increased service provider billing rates would allow service providers to make adjustments in compensation rates in order to make them competitive with the institutional sector.

This paper makes recommendations regarding the need for percentage increases by

¹ Ottawa Carlton CCAC, July 2000, A recent correspondence from the Ottawa Carlton CCAC to the MOHLTC indicates that new referrals for visit nursing are effectively halted due to inability of local home health care service providers to recruit and retain staff.

occupation which will result in compensation increases for all home care workers in Ontario.

Recommended Compensation Increase by Occupation

Personal Support Workers (PSW) and Community Support Workers

OHHCPA and OCSA recommend that a 30 % increase in compensation is necessary to close the wage gap differential between personal support workers employed in home and community care, and personal support workers employed in acute care settings (attendant workers).² (This percentage increase would not include the additional costs of the employer related to staff supervision, training, extended health care, administration, CPP, EI, and travel remuneration. Additional increases would be necessary).

Home care service providers are competing with both long term care facilities and acute care facilities for PSW staff, particularly in urban areas. OHHCPA and OCSA recommend that in rural areas, PSW programs must be made more available in order to address retention issues and meet the skill base demands of workers expected by the local rural CCACs.

Registered Practical Nurses (RPN)

OHHCPA and OCSA recommend that that a 30% increase in compensation is necessary to close the wage gap differential between RPNs employed in home care and RPNs employed in acute care settings.³ (This percentage increase would not include the additional costs of the employer related to staff supervision, training, extended health care, administration, CPP, EI, and travel remuneration).

Registered Nurses (RN)

² This percentage increase was determined by comparing average home care PSW rates to the current maximum rate for attendants (PSW's) employed in acute care facilities. Average home care rate was determined by experience of employers over multiple province-wide sites and a July 2000 MOHLTC compensation review which reveals that the current range is from \$10.60 (average minimum wage rate) per hour to \$11.04 (average maximum wage rate) per hour. Current maximum hourly rate for PSW's employed in long term care facilities is \$14.68. Current maximum hourly rate for PSW's employed in acute care facilities is \$15.17.

³ This percentage increase was determined by comparing current average home care RPN wage rates to current maximum RPN wage rates in acute care settings. Average current wage for RPN in home care is \$13.50. Maximum hourly wage in long term care facilities is currently \$16.77. Maximum hourly wage rate for RPNs in acute care is \$20.28 (not inclusive of wages for shift differential, weekend premiums, pension etc.).

OHHCPA and OCSA recommend that a 50% increase in compensation is necessary to close the wage gap differential between RNs employed in home care and RNs employed in acute care settings.⁴ (This percentage increase would not include the additional costs of the employer related to staff supervision, training, extended health care, administration, CPP, EI, and travel remuneration).

Maximum wage rates in facilities were used for comparison purposes because recent human resource experience has demonstrated that in order to attract, recruit and retain staff, acute care facilities and long term care facilities are offering RNs and RPNs maximum wage rates (as employment incentives) based on the individual's total years of experience in the health care field. This calculation does not include signing bonuses, which are currently being offered in many acute care institutions.

General Principles

A set of general principles should guide the introduction of any proposed increases designed to address the issue of wages.

1. Funding should flow in a consistent, practical way to employers and should be auditable to ensure that funds are applied towards compensation increases for service provider staff.

Community Care Access Centres (CCACs) should be funded to give providers a percentage increase to be used as the provider sees fit to fairly address the wage disparity issue in their organizations. The Ministry should fund approved agencies similarly. Flexibility in the adjustment of compensation increases must be encouraged so that employers can maintain equitable wage ranges between different job classifications within their organizations. In this regard, employers must not be expected, or directed, to apply new resources to only one professional group. Health care teams working within service provider organizations are comprised of many members: homemakers, nurses, therapists and other home care support workers, including administrative/supervisory staff. Applying new resources to only one group of workers will create an inequitable pay differential within teams and will create demoralization and distress within the entire home care workforce.

2. Funding should be comprised of new resources, not resources that have been found as a result of service cuts to clients.

⁴ This percentage increase was determined by comparing current average home care RN wage rates to current RN maximum wage rates in acute care facilities, effective September 2000 as per the recent ONA collective agreement which expires December 31, 2001. Average current wage rate for RNs in home care is \$20.00 per hour. Maximum wage rate for RNs in long term care facilities is \$26.63 compared to \$30.25 in acute care facilities (not inclusive of wages for shift differential, weekend premiums, pension).

The role of the home and community care sector has increased significantly in the past decade. All CCACs are reporting increases in client service volumes and new resources are needed to support the uptake of these care needs. The shifting of service delivery from the acute care sector to the community is due to the enhanced discharge planning needed to increase the appropriate utilization of acute care beds. This reform process should be encouraged; however, it should also be matched with an increase in funds to enable the community to adequately care for these clients.

The community is also supporting many more people to live in their own homes for a longer period of time due to the lack of long term care facility beds. While new long term care facility beds are under construction, the community continues to support these individuals who often have increasingly complex physical and mental care needs.

The complexity of these care needs coupled with scarce human resources has created the need for service providers to continually upgrade and add skills training for all workers, hire more junior staff and increase travel cost. The increased need for skills training, mentoring programs and travel has been borne by service providers as an additional cost prior to receiving payment for their services. When workers move to other sectors, they take these skills with them and employers must continually reinvest in additional training for new workers and support additional travel costs to staff cases.

The home and community care sector is currently using existing resources at the maximum level. Now, significant new investment in community care is required to recruit as well as retain skilled staff to deliver increasing service demands. The community sector is eager to take on an even greater role in the delivery of health care services, provided that adequate and appropriate levels of funding to CCACs are forthcoming.

3. There should be an on-going mechanism to review CCAC/Ministry base funding to avoid cyclical wage disparity between sectors.

There is an on-going need to address the wage gap between different sectors of the health care system to avoid migration of groups of workers from one sector to another. Clearly, the acuity of care delivered in the home has increased dramatically and will continue to do so as care is delivered closer to home. Data to support the need for increasing levels of care in the community exist and should be reviewed annually to avoid the situation where a resource gap becomes so problematic that it results in the inability to recruit and retain skilled staff.

In this regard, OHHCPA and OCSA are pleased to support the renewed efforts of the

MOHLTC to review the Equity Funding formula for community care and further recommends that total CCAC and non-CCAC base funding be reviewed yearly to avoid cyclical wage gap issues.

4. New funding should be applied to pay equity obligations of employers

The ability to attract and retain health care workers to meet the growing need for home care service is hampered by the wage gap between home care and long term care facilities and hospitals. Employers have an interest in closing the wage gap so that they can better meet their service obligations. Pay equity legislation was introduced in the late 1980's specifically to address wage inequities. The application of new funding to pay equity will result in a diminished wage gap and bring greater parity to those working in the community sector.

Conclusion

OHHCPA and OCSA are pleased to submit recommendations regarding the estimated percentage increases necessary to address home and community care worker compensation.

About the Ontario Home Health Care Providers' Association

The Ontario Home Health Care Providers' Association (OHHCPA), founded in 1986, currently has 42 members providing services throughout rural and urban Ontario. It represents private organizations that employ front-line service providers of health care services (acute, chronic, rehabilitation). Members of OHHCPA are contracted by all three levels of government, Community Care Access Centres, insurance companies, corporations, and private individuals. Association members provide employment for approximately 27,000 Ontarians and are key providers in the delivery of community health care to an estimated 100,000 clients annually.

The mission of the OHHCPA is to promote the provision of quality care to consumers of health and support services in the home, through the development of, and adherence to, standards of professionalism and integrity.

OHHCPA is a member of the Ontario Health Providers Alliance, an alliance of 18 members including: The Victorian Order of Nurses-Ontario, the Canadian Red Cross Society - Ontario Zone, Saint Elizabeth Health System, Ontario Community Support Association, the Ontario Medical Association, the Ontario Hospital Association, the Ontario Nursing Home Association, Ontario Pharmacists Association, the Ontario Association of Non-Profit Homes and Services for Seniors, Association of Ontario Health Centres, Canadian Mental Health Association - Ontario Division, Cancer Care Ontario, Ontario Association of Children's Rehabilitation Services, Ontario Association of Medical Laboratories, Ontario Federation of Community Mental Health and Addiction Programs, Ontario Home Respiratory Services Association, Association of Local Public Health Agencies.

The OHHCPA supports, and participates actively, in the advancement of research in the home health care field through its involvement with the Ontario Community Services Research Evaluation Network and the Institute for Clinical Evaluative Sciences (ICES).

OHHCPA is a leader in promoting provision of adequate financial and other resources for home health care in Ontario. OHHCPA participates regularly, both federally and provincially, in task forces, consultations and committees in order to develop consistent approaches to policy and funding issues affecting home health care provision.

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About the Ontario Community Support Association

The Ontario Community Support Association (OCSA) founded in 1991 as the result of the amalgamation of the Meals-on-Wheels Ontario, the Ontario Visiting Homemakers Association and the Ontario Home Support Association. OCSA supports, promotes represents the common goals of over 360 not-for-profit organizations providing services throughout rural and urban Ontario, so that they are better able to support people to live at home in their own communities.

The community voluntary organizations that are members of OCSA employ front-line service workers that provide a broad range of health care services (acute, chronic, rehabilitation). Members of OCSA are contracted by all three levels of government, Community Care Access Centres, insurance companies, corporations, and private individuals. Association members provide employment for approximately 15,000 Ontarians and involves over 60,000 volunteers in the delivery of home and community health care to an estimated 100,000 clients annually.

OCSA is a leader in promoting provision of quality care in Ontario. As the voice of the not-for-profit home and community care, OCSA participates regularly, both federally and provincially, in task forces, consultations and committees in order to develop consistent approaches to policy issues affecting home and community health care provision. OCSA has also been proactive in developing quality standards for home and community services as well as providing training and networking opportunities to foster the skills of home and community support services and the development and sharing of best practices.

OCSA is a member of the Ontario Health Providers Alliance, an alliance of 18 members including: The Victorian Order of Nurses-Ontario, the Canadian Red Cross Society - Ontario Zone, Saint Elizabeth Health System, Ontario Home Health Care Providers' Association, the Ontario Medical Association, the Ontario Hospital Association, the Ontario Nursing Home Association, Ontario Pharmacists Association, the Ontario Association of Non-Profit Homes and Services for Seniors, Association of Ontario Health Centres, Canadian Mental Health Association - Ontario Division, Cancer Care Ontario, Ontario Association of Children's Rehabilitation Services, Ontario Association of Medical Laboratories, Ontario Federation of Community Mental Health and Addiction Programs, Ontario Home Respiratory Services Association, Association of Local Public Health Agencies.

OCSA supports, and participates actively, in the advancement of research in the home health care field through its involvement with the Ontario Community Services Research Evaluation Network and academic institutions.

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