



**Ontario Community Support Association
Submission to the Standing Committee on Finance and Economic
Affairs**

January 29, 2016

Katch Koch, Clerk
Room 1405, Whitney Block
Queen's Park
Toronto, ON M7A 1A2

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Dear Mr. Koch and Members of the Standing Committee on Finance and Economic Affairs,

The Ontario Community Support Association (OCSA) respectfully submits this paper to inform the 2016 Ontario Budget process. The OCSA champions a strong, sustainable home and community support sector for all Ontarians. Our not-for-profit, community-based member agencies provide a wide variety of clinical and non-clinical services, which enable nearly one million seniors and people with disabilities to remain independent and live in their own homes and communities each year.

Members' services include in-home nursing, therapy and personal support, Meals on Wheels®, adult/Alzheimer day programs, transportation to medical appointments, respite for family caregivers, supportive housing and attendant services for persons with disabilities and many more. The need for these services is growing rapidly as the population ages and more people choose to remain and receive care in their homes and communities, for as long as possible.

These cost-effective services prevent unnecessary hospitalizations, emergency room visits and premature institutionalization. They are the key to a sustainable health care system.

The non-profit home care and community support sector also brings significant value to the health system. Volunteers – used by most community member agencies - donate an estimated 4 million hours each year. Volunteers deliver programs that seniors and others depend on to be able to manage living at home, including Meals on Wheels®, hospice visiting, caregiver support, and transportation.

The estimated financial value of non-profit home and CSS sector volunteers is \$111 million. If these volunteer resources were reduced or removed, they would need to be replaced by paid providers to sustain critical services, adding substantial new costs to the system.

Unlike for-profit agencies, non-profit home care and community support service providers direct any surplus funding back into services, and not shareholder profit.

The government has made an unequivocal commitment to transform the health system by delivering more health care in the community, thereby reducing avoidable emergency room use, hospitalization and institutional care.

Most of the recent infrastructure and operational investment has been directed at the programs and services that CCACs contract or provide directly. However, the large majority of our members' community support programs are delivered directly to clients and funded by the LHINs, not contracted through CCACs. In order to reach Ontario's goal of having a strong and sustainable home and community care sector, it is essential to invest in adequate capacity for the entire basket of home and community services, not just the more narrow clinical services provided through the CCACs.

commitment to care United in our commitment to care

One example of the consequences of this disparity is Information and Communications Technology (ICT). Recently, hospitals and CCACs have received substantial investment in ICT. By contrast, home care and CSS agencies have had no sector-wide government investment in ICT and no increases in operational funding, which are necessary to build sector capacity in this crucial area.

Adding to these deficits, there is a major shortfall between government funding for the PSW wage increase and the actual cost of this increase to agencies. Government funding does not cover all the benefits provided to PSWs (only the increase in statutory benefits, but not extended health benefits, pensions, training and other benefits). Agencies have had to manage this shortfall through service reductions, charging clients higher fees, staff lay-offs and compressing the wages of other staff.

Targeted and strategic investments in the agencies that provide the lion's share of home care and community support services in Ontario would increase access, equity and quality of service for all Ontarians, enabling more citizens to remain in the community instead of institutions, and bring high value to the health system.

Three Key Budget Priorities

1. Address increasing funding and wage constraints

The demand for home and community care is growing every year, as agencies are being relied upon to provide more services to an older, higher-needs population, which is being discharged from hospital earlier.

Home care and community support agencies are facing severe funding constraints, which affect their ability to meet service demands.

The top three budgetary concerns for OCSA members surveyed this month are:

- Wages (92.3% of members list it as one of their top three concerns),
- Funding for administration (56.9% of members list it as one of their top three concerns), and
- Investing in IT (35.4% of members list it as one of their top three concerns).

A full 86% of members say that the wage restraint or compression is currently a challenge for their agencies.

There are two main factors causing the funding constraints.

- a) Budgetary pressures caused by the wage increase for PSWs.
- b) Years with no operating or infrastructure funding increases; funding does not cover inflation or increased demand.

The wage increase for personal support workers in home and community care was a valuable step for an essential group of workers who were previously underpaid. However, the implementation of this policy has been extremely challenging and has created significant budget pressures in a number of areas.

Government funding for the PSW wage increase covered wages but underestimated the true cost of employee benefits beyond statutory holidays including pensions, costlier health benefits and increased life insurance premiums. This shortfall has resulted in employers being forced to absorb additional costs within their existing and stretched operational funding.

There are inequities among PSWs depending on when they were hired and the functions that they perform. For example, PSWs who were eligible for the first year of the wage increase prior to the introduction of the \$19/hour wage cap could be paid higher than the cap. Those who were eligible for the increase starting in the second year, however, had their wages capped. This has created different tiers of PSW pay within CSS and home care, and sometimes within the same agency.

A final complication is that the increase for PSWs has created wage pressure for non-PSW staff, including nurses, homemaking and supervisory staff.

At the same time, CSS and home care agencies collectively, have not received an annual increase for operations or infrastructure for more than 6 years.

The gap between increased costs due to demand and inflation and government funding is widening, as a combined result of serving more clients, more acute clients being discharged from hospital sooner, and increased reporting and administrative requirements from LHINs and other funders.

To deal with the funding constraints, agencies – both small local organizations and large multi-service providers – have had no choice but to reduce services, charge clients higher fees, or lay-off staff. Agencies have also had to restrain wages of non-PSW staff such as nurses, homemaking staff, supervisors and skilled managers. This is seriously reducing their ability to recruit and retain staff, and compete with long-term care and hospitals at a time when home care and CSS agencies need to hire more skilled front-line staff to meet demand. The staff that remain are experiencing burnout, and agencies are facing high turnover costs.

Recommendations

- The government should continue with their planned 5% increase to the home and community care sector. But more needs to be done to address the above shortfalls for the current fiscal year and into the future, as need is anticipated to continue to grow.
- The government should make it a priority to redress the funding shortfall created by the PSW wage increase. At minimum, the government should immediately close the gap between the funding provided and the full cost of the wage increase. Based on the total annual government funding of \$77.8 million in year two of the program, the Ministry should cover the difference between the additional 22.7% provided for statutory benefits and the full cost of all benefits paid to PSWs, estimated to be up to 40%. This represents an additional \$6.4 million investment to resolve the shortfall related to benefits.
- In several reports, including a special report on CCACs last year, the Auditor General of Ontario identified numerous opportunities to improve efficiencies and reduce CCACs' administrative expenditures. The Ministry's decision to integrate the CCACs into the LHINs outlined in the *Patients First: A Proposal to Strengthen Patient-Centred Health Care* is meant to improve system integration and patient care, as well as yield administrative efficiencies that can be reinvested in front-line services.

The administrative expenditures of the 14 LHINs have been estimated to be less than half of the CCACs' administrative expenditures. According to an analysis of annual salary disclosure data, 299 senior CCAC staff reported incomes over \$100K, totaling approximately \$37.4M in salary costs in 2013 (RNAO, Enhancing Community Care for Ontario, 2014). OCSA strongly recommends that the efficiencies gained from integrating the LHIN and CCAC administrative and governance structures are reinvested directly into frontline home and community support services budgets.

2. Address the major and growing infrastructure deficit in the home and community support services sector

Compounding the operational funding pressures is an ever-growing infrastructure deficit in home and community support services.

Investment in technology is critical for quality client care - including assessment tools, and the ability to share health information among home care, primary care and hospitals to coordinate client care. However, the hundreds of Ontario agencies that provide home care and community support services have not received a sustained sector-wide investment in information and other technologies. Flatlined operational budgets have further diminished agencies' ability to pursue collaborative IT solutions.

By contrast, hospitals and CCACs have received considerable targeted provincial investment in information technology in recent years and, consequently, have much more greater capacity than other parts of the system.

According to its 2014-2015 Annual Report and Financial Statements for the year ending March 31, 2015, the Ontario Association of Community Care Access Centres (OACCAC), which manages ICT platforms and services for the CCACs, had IT expenses of \$12.3 M in 2014 and \$11.7 M in 2015.

The Ministry's Health Sector Asset review last year found the CSS sector, in particular, had significantly fewer resources and less developed ICT systems when compared to CCACs and other parts of the health system. The review identified specific deficits, including agencies using a vast array of disparate applications for clinical and non-clinical functions, and a lack of human resources in critical roles such as IT evaluation and change management.

Despite these formidable challenges, OCSA members are highly committed to developing their ICT capabilities. Many are aware of and some are active participants in local ICT initiatives. Most OCSA members across Ontario (57.1% of those surveyed) have examples of information and communications resources in their local areas that have the potential to improve care coordination and navigation. These range from Caredove, an electronic patient referral and booking system that is being used for home care and CSS in some LHINs, to leveraging the CCACs' Client and Health-Related Information System (CHRIS) system for referrals and information sharing. Successful local systems should be standardized, spread across the province and extended to all providers in order to integrate health care for patients, clients and caregivers.

Further, the CCACs' invaluable client information systems such as CHRIS need to be used for **all** home and community support services, not just the specific clinical services provided through CCACs.

Recommendations

- As the Minister's Health Sector Asset Review demonstrated, there are some priority areas where the home and community care sector, particularly community support providers, require capacity investments, including:
 1. ICT technologies that assist clients in self-management to improve satisfaction, outcomes and cost efficiencies. Since LHIN-funded CSS agencies cannot retain budget surpluses or incur deficits, new funding is required to move client-driven ICT forward.
 2. Data collection is currently very labour-intensive and inefficient in CSS agencies. Agencies require adequate and consistent information systems for clinical decision support, reporting and organizational Business Intelligence.
 3. To successfully adopt critical information management and IT systems and achieve a sufficient return on investment (ROI), the home and community sector requires a targeted investment in change management, training, and local capacity-building. An incremental investment has the potential to have a significant impact on ROI.
- The CCACs' expensive IT systems must be leveraged for the entire health system, bringing desperately needed technology capacity to CSS and home care providers, benefitting millions of clients across the province.

Another significant infrastructure capacity challenge for the home and community support services sector is **Quality Improvement (QI)**.

Over the past two years, OCSA has led the first comprehensive initiative to build the quality improvement capability of the entire CSS sector. With modest project funding relative to the size and diversity of the sector, and in a very short timeframe, OCSA's Quality Advantage project has had a tangible impact on the sector's capacity to serve clients. Hundreds of board members, senior leaders and staff across the province have learned the fundamentals of QI, and agencies are sharing successes and spreading effective practices. Providers are now telling us that Quality Improvement is among their highest priorities.

However, this small-scale program is only a start. Sustained capacity building will be required to create sufficient QI capacity in all areas of the province. Recently, 80% of OCSA member agencies surveyed said that they lack the necessary resources to implement quality improvement, including quality monitoring, management and formal quality improvement processes.

Recommendation

- A sustained and equitable investment in QI infrastructure for the entire home and CSS sector across Ontario will be essential to enable agencies to continue to meet changing client needs and to optimize their value to the health system.

3. Strengthen support to caregivers

“All Ontarians stand to benefit when caregivers can be supported with information and access to a range of supports which will allow them to continue assisting those they care about,” *Living Longer, Living Well*, Dr. Samir Sinha, Provincial Lead, Ontario’s Seniors Strategy, 2013.

Our health care system depends on informal caregivers, but their role is often not well recognized and supported. Caregiver burnout is becoming a crisis.

According to the Change Foundation, 29 percent of the provincial population – or 3.3 million people – provide some form of support, assistance or care to a family member or friend. Caregiving – and lack of adequate support for caregivers – has a huge ripple effect on the economy. In 2012, 1.6 million caregivers across Canada took leave from work; nearly 600,000 reduced their work hours; 160,000 turned down paid employment; and 390,000 had quit their jobs to provide care. This is equivalent to \$1.3 billion in lost productivity per year. (Statistics Canada. (2013). Portrait of caregivers, 2012).

It is little wonder that the Ministry of Health and Long-Term Care’s *Patient’s First Roadmap to Strengthen Home and Community Care*, along with leading organizations such as Health Quality Ontario and the Change Foundation, have made improving caregiver support a top priority.

The government’s investment in training and resources for caregivers is a crucial step forward. However, much more can be done to provide real relief and the day-to-day support that caregivers say they need. In a recent survey, 81.5% of OCSA members reported that there are insufficient resources in their regions to support caregivers and prevent burnout. The top two programs that they say would help are more respite programs and Adult Day Programs (ADP).

For example, in 2011, the Waterloo-Wellington LHIN compared ADP clients, long-stay home care clients, and newly-admitted long-term care (LTC) residents. They found that clients benefitting from ADP programs had equal or more acute needs than LTC residents (based on their risk level, medical complexity and cognitive impairment). ADP provided by CSS agencies is a cost-effective alternative to LTC that is valued by clients and caregivers.

Recommendation

- The home and community care sector is the closest to caregivers and provides the tangible programs that are proven to prevent and relieve caregiver burnout. Investing in cost-effective services such as Adult Day Programs and respite care will enable caregivers to continue supporting their loved ones in their homes and communities, and keep them from requiring costlier support in hospitals or long-term care for as long as possible.

In Conclusion

Home care and community support services clients know how important these services are to maintaining their independence and quality of life – and they are asking for greater access to them. As the Ontario government has made clear, the goal of our health care system should be to provide the right care, at the right time, in the right place. The strategic investments we have identified would have an immediate positive impact on the lives of clients and their families, while providing the best return on investment for limited health care dollars.