



November 6, 2017
For Immediate Release

Attn: Assignment Editor

Public Home Care Would Benefit Ontarians Despite Claims of Vested Interests/For-Profit Home Care Companies: Health Coalition Calls for More Details

Toronto – A leaked presentation from the Ministry of Health revealed by CBC today indicates that the government is planning some sort of public home care agency for personal support work in the home. The Ontario Health Coalition has been advocating for public home care since the 1990s and reacted with cautious optimism to the news.

“The devil is in the details,” said Ross Sutherland, R.N., M.A., chairperson of the Ontario Health Coalition. “If the government is planning public home care, this is great news. If they are planning to somehow have a public agency compete with the private corporations in home care, it will not help.”

The Coalition has called for a streamlined public non-profit home care system based on public interest principles, with better democratic input and stronger accountability, a cultural change to reflect the values and priorities of Ontarians, and stronger standards to improve care, based on a province-wide consultation on home care here:

<http://www.ontariohealthcoalition.ca/index.php/ontario-home-care-in-disarray-unable-to-keep-up-heath-coalition-proposes-reform-based-on-principles-of-public-medicare/>

Despite the claims of the vested interests in the home care sector reported in the media this morning, the promise of a public home care system is that it would eliminate hundreds of redundant company administrations, profit taking, duplicate systems and poor communication and coordination. In fact, every province in Canada has a more public home care system than Ontario does.

The data from the Special Audit of home care conducted by Ontario’s Auditor General in 2015 supports this contention:

- Ontario has more than 260 contracts with approximately 160 home care companies to provide nursing, therapies and personal support. According to the Auditor, a 2013 review by the Ontario Association of Community Care Access Centres found that there are 14,000 contracted rates over 94 different service categories in these contracts. All of these redundant structures and systems must be funded by the public purse, along with profit-taking. All of this was created to bring in privatized for-profit home care. A streamlined public home care system would direct hundreds of millions to care from existing budgets.
- Of \$2.4 billion in public funding for CCACs, 62% is given to private companies contracted to provide home care services, amounting to approximately \$1.5 billion per year. Of this, according to the companies themselves, 82% is spent on front-line staff. This means that 18% is taken for profit and administration. This amounts to \$267.8 million a year paid to the 160 duplicate home care companies across 14 CCACs for their profits and overhead. This is an extremely conservative assessment, in fact:
- Although the \$1.5 billion in money spent by contracted home care companies comes from Ontarians through our taxes, the Auditor has no power to audit the companies’ financial records to verify their numbers. In fact, according to the Auditor, the private companies report billing CCACs’ (public purse) rates for nurses ranging

from \$58.20 to \$70.60 and rates for PSWs ranging from \$29.50 to \$48.98 per hour. Yet home care nurses are often actually paid about \$30 per hour and PSWs often make around \$15. For both nurses and PSWs, the difference between what the companies are billing the government and what they actually pay their employees might be as big as 50%. If this funding were to go to front-line staff rather than corporate profits and administrations, key issues could be addressed including: severe shortages of staff that mean that care visits are frequently missed; extremely high turnover of staff that compromises continuity and quality of care. As such, the unaudited claim made to the Auditor General that the companies are spending 82% of their funding on direct care is highly questionable. These numbers indicate that much less is actually making it to the front-lines. Ontarians cannot access financial information and contracts from these companies as they are excluded from Access to Information Legislation.

“Ontario’s home care system is impossibly complex and bureaucratic, mainly as a result of the structures that were set up almost two decades ago to privatize the system,” noted Natalie Mehra, executive director of the Ontario Health Coalition. “Profit taking, duplicate administrations of companies, refusal to share information -- these are all hallmarks of that system, set up to bring in the for-profit chain companies to take over home care in the early 2000s. While governments have tinkered with the structures, they have never had the principles nor the political will to fundamentally reform home care. A public home care system would be a great leap forward: a huge benefit to Ontarians. It is, without question, in the public interest. We are trying to find more details about the Ontario government’s plan and will give our response once we know more.”

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