ONTARIO HEALTH COALITION HOME CARE REPORT
MEDIA BACKGROUNDER
November 17, 2008

The report, entitled *Home Care: Change We Need*, presents the findings of an extensive cross-province consultation and research study of the Ontario's home care sector. It also offers important new recommendations for significant reform.

The report's three authors, Carol Kushner, Patricia Baranek, and Marian Dewar, are recognized policy experts. Marion Dewar was the former mayor of Ottawa and former MP; Patricia Baranek, PhD, is a health services research and policy consultant who has written on home care reform in Ontario; Carol Kushner is a health policy author and consultant who had been an advisor to the Senior Citizens' Consumer Alliance for Long Term Care Reform which held an extensive consultation process in 1992. The panel was chosen as a highly credible, non-partisan expert group. Sadly and suddenly, Marion Dewar passed away during the writing of the report. It is dedicated to her memory.

The panelists were commissioned to write an independent report based on a broad public consultation through public hearings organized in every region of the province. The panelists met with a broad range of individuals and groups linked to the home care industry. They received input from clients, caregivers, concerned citizens, public interest groups, front line home care workers, labour organizations, and home care provider agencies. These groups and individuals provided input at public hearings held in five Ontario cities (Toronto, Sarnia, Peterborough, Ottawa, and Thunder Bay) in June 2008 and through written submissions. In total, the panel heard 78 presentations and received 69 written submissions.

The hearings were sponsored by SEIU local 1 Canada and the Ontario Health Coalition. The sponsors requested that the panelists provide an independent expert report and recommendations based on the input the panelists received and their own research.

How Home Care Got Here
Traditionally, home care was mainly provided by non-profit agencies such as the Victorian Order of Nurses and the Red Cross in Ontario. The Harris government introduced the system of "managed competition" or competitive bidding as it has become known in the late 1990s. Under this system, for-profit companies were invited to bid against non-profits in regular rounds of tendering for home care contracts paid by government.

As a result of instability and controversy, the McGuinty government has put the competitive bidding system on hold by placing two consecutive province-wide moratoria. The most recent moratorium is still in place. It was announced last winter following a protest of more than 1,500 people in Hamilton after long-standing community non-profit agencies – the Victorian Order of Nurses and St. Joseph's Healthcare – were declared ineligible to bid for services that they had provided in the community for 100 years and 80 years respectively. The Ontario Health Coalition and SEIU Local 1 Canada arranged for cross-province hearings to open up the process of policy discussion.

Home Care Effect on Ontarians
649,244 clients received home care and almost 26 million visits/hours of home care were provided in 2005/06. On any given day, about 185,000 clients receive home nursing and supportive care, and many of them are long term clients. In 2005/2006 the majority of clients were over 65 years of age (58%) with adults comprising 32% and children 10%. Provincial expenditures on home care were $1.41 billion in 2005/06.

Key Findings
The most important finding is that change in Ontario's home care system is needed. No one in the sector is happy with the home care system as it is currently organized and the research supports calls for change.

> **"The home care system described in the public hearings process revealed worried and even frightened clients, exasperated citizen and public interest groups, demoralized workers and a seriously destabilized provider community."**
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Ontario is the only province that relies exclusively on competitive bidding for homecare. Other provinces also rely much more extensively on public services or services provided by not-for-profit organizations. The input and research shows that assessing bids and monitoring performance is very costly and involves significant challenges. Competition has generated a climate of fear and reluctance to share best practices.

Recently the provincial government raised the caps on service providing more publicly-covered services and major new funding to help Ontarians age at home, if they choose.

- **Home care clients** are concerned about being able to access enough care to meet their needs and properly qualified staff. They are concerned about disruptions to care and losing their workers because of competitive bidding and expressed preference for non-profit service delivery. They expressed fears about complaining and of being pushed prematurely into facility care.
- **The workforce** is precariously unstable. Home care workers reported feeling unappreciated because they have little job security, lower wages, and fewer benefits than other workers in other health sectors. They described negative impacts of casual employment and insufficient travel compensation in a context of volatile gas prices. They objected to signing 'gag' orders and noted how competitive bidding has undermined their conditions and cooperation among agencies. Many reported that they had already left or intend to leave the sector.
- **Labour organizations** reported that homecare workers in Ontario do not have the same protections as workers in other sectors and home care workers in other provinces, noting that many do not have pensions, sick pay, statutory holiday pay, and right to severance or successor rights. While the majority of hospital workers belong to a union, union density in home care is very low. Unions also criticized competitive bidding, reporting that while it drives down wages it does not necessarily result in public savings. For example, when the service volumes of one non-profit home support agency were transferred to five for-profit firms, all but one charged higher prices.
- **Provider organizations** emphasized the instability of the home care system. They find it hard to meet goals with insufficient funding and high turnover rates. They pointed to the large differences in wages and benefits between home care and other sectors, and an unequal playing field between for-profit and non-profit providers. Agencies expressed concern about the costs of competitive bidding that could otherwise go to direct care.
- **Public interest groups** called for systemic reform to emphasize client choice, independence and dignity, and emphasized a need for greater accountability, transparency and democracy in this sector. They criticized competitive bidding, warned about market concentration and suggested new legislation.

Recommendations for Reform
The authors recommend the following concrete reforms to improve stability and to secure homecare as a strategic and important part of the health care continuum:

Clients' Rights:

1. Home Care policy should respect client choice in the decision to receive care at home provided the total public costs for home care do not exceed the total public costs for care in a nursing home or hospital.

2. Ensure that clients are told about their rights to have a case review and to make an appeal if they are dissatisfied.

Addressing citizens' concerns about accountability and transparency:

3. As permitted by the current LHIN legislation, re-establish CCACs as non-profit organizations, restore their right to select their own boards, and hire their own CEOs.

4. Restore the right of CCACs to hire their own direct service staff where this option offers a more cost-effective alternative.

5. Outlaw gag orders and establish whistle-blower protection so workers can report their concerns about the quality and safety of home care.

Stabilize the workforce to protect continuity and quality of care:

6. As soon as possible, establish wage parity for all professional and personal support workers (sometimes called health care aides) so that new minimum wages reflect the average minimums paid in the nursing home and hospital sectors.

7. Immediately ensure that mileage rates paid to PSWs and homemakers reflect the volatility of gas prices (as well as the costs of wear and tear and vehicle maintenance) and ensure parity in the mileage paid to all workers throughout the home care sector; within 18 months require that all home care workers be compensated for travel time, with the amount of compensation based on a proportion of their hourly rate.

8. Within 3 years, ensure permanent full-time work for at least 70 percent of all home care professionals, PSWs and homemakers.[1]

9. Within 3 years, ensure all home care workers are entitled to receive benefits, including a pension plan, health coverage (dental and drugs) and sick pay.

10. Immediately eliminate "elect to work" and ensure that all home care employees receive payment for statutory holidays, notice of termination and severance and create a regulatory requirement for successor rights.

[1] As noted, Manitoba has recently taken steps to ensure that 93 percent of all jobs in home care are full-time guaranteeing workers at least 75 hours over each two-week period. The 70 percent figure suggested here is a first step and is comparable to the target already set by the Ontario government for hospital nursing jobs.

11. Limit the proportion of workers without PSW certification employed by any agency offering home care to a maximum of 10 percent of its workforce.

12. Create a special provincial government fund to facilitate the implementation of recommendations 6-11.

To Address System Issues:

13. Given the increasing importance of home care as a strategic service in providing cost-effective care, ensure sufficient funding levels to meet client needs for homemaking, personal support and professional services.

14. Continue to establish province-wide standardized quality indicators, and set multi-year targets for improvement as part of the ongoing performance monitoring of home care delivery, and conduct comparisons of CCACs' performance.

15. Halt all competitive bidding by extending the current moratorium indefinitely and do not issue any new RFPs until recommendations 6-11 have been fully implemented. In the interim, protect service volumes for those who can demonstrate good employment practices and good quality of care and shift volumes away from those who cannot.

16. To further innovation, encourage LHINs to pilot and evaluate alternative models of allocation, reimbursement, and service delivery in home care. Examples could include Veteran's Independence Program[2]; PACE[3]; and Balance of Care[4]; as well as direct service provision by CCACs.

17. Provide government funding to conduct a systematic evaluation of for-profit, not-for-profit and public home care delivery models.

18. Ensure a standardized curriculum for PSW training, an accreditation program for all public and private schools offering the program, and provide tuition assistance to ensure that home care clients have access to a skilled workforce.

19. Conduct ongoing human resources planning for the home care sector and establish a registration program for PSWs and homemakers so their employment within the system can be tracked.

20. Give serious consideration to the possibility of embarking on a process for legislative renewal in the home care sector.

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[2] The Veterans Independence Program or VIP uses case management and client- based envelope funding to purchase services from approved providers; clients can opt to receive this funding and purchase their own care.

[3] PACE stands for " Program of All-inclusive Care for the Elderly and is a widely replicated American model using a capitated budget to serve all of the health needs of its participants, including hospital and nursing home care. It has demonstrated the viability of meeting care needs of its extremely frail elderly participants by maximizing access to community based services – especially through adult day centres, home care, home support and management of chronic conditions through primary care available at the adult day centres.

[4] Balance of Care was developed in the UK by David Challis as a method for determining which client in or waiting for long term care could be served cost-effectively with a tailored package of home and community care. It is currently being tested in Ontario by Paul Williams PI, CIHR Team Grant.