

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf.
Your File/V/Réf.

DATE 7 February 1997

TO/DEST. Coordinator
Community Services Committee

FROM/EXP. Homes for the Aged Commissioner
Medical Officer of Health

SUBJECT/OBJET **POTENTIAL IMPACT ON REGION OF MEGA-WEEK
ANNOUNCEMENTS CONCERNING FUNDING OF LONG
TERM CARE**

DEPARTMENTAL RECOMMENDATIONS

That Community Services Committee recommend Regional Council:

- 1. Ask the Province of Ontario, in light of the announcement that municipalities fund 50% of long term care, to rescind the decision to create an independent Community Care Access Committee in Ottawa-Carleton and transfer responsibility for the management of the Home Care and Placement Coordination Services to the Region;**
- 2. Ask the Province to recognize the full partnership role of the Region in decision-making and approval of any changes in the long term care system for which the Region has funding responsibility.**

BACKGROUND

The Regional Municipality of Ottawa-Carleton (RMOC) currently is responsible for management of the Home Care Program, with a budget of \$62 M, which is 100% provincially funded. Under the Region's stewardship, the Home Care Program developed into one of the most effective and accountable programs in the Province. Operating within the RMOC procurement and financial management policies, the program achieved significant cost efficiencies in purchased services and resource management. The RMOC Home Care Program has been proactive in the development of standards for outcome measurement. There is a high level of client satisfaction with the program.

At the direction of the Province, the Home Care Program will be transferred to an independent body, the Community Care Access Centre (CCAC). The Region has been working closely with the new CCAC board towards the transition date of March 31, 1997. The CCAC has now become Incorporated, hired a Chief Executive Officer and its Board has made offers of employment to the existing RMOC Home Care staff. The costs to the Region to date of all the transition work is approximately \$175,000 and we have been verbally reassured by the Province that all transition costs will be reimbursed.

Along with the formation of the new CCAC, the Province has transferred responsibility to it for the local Placement Coordination Service which has a budget of \$.9 M, funded 100% by the Ministry of Health and is managed by an independent board.

The RMOC currently manages three Homes for the Aged with a 1997 budget of \$29 M of which the Region will fund \$7.6 M, the residents \$8.2 M and the remainder will be funded by the Province of Ontario. Each of the three Homes has an Advisory Committee chaired by a Regional Councillor and composed of representatives of residents, families, volunteers and the neighbouring community. Regional Council is accountable for the management of the three regional homes.

The Province recently announced that:

- The Region will now be responsible for funding half the cost of the newly formed CCAC with an annual operating budget of \$63 M. It is estimated that the Region will pay \$31.5 M. The new CCAC has an independent Board and does not report through Regional Council.

The Region will now be responsible for funding half the cost of Community Support Services including meal services, transportation services, caregiver support services, adult day programs, home maintenance and repair services, friendly visiting services, reassurance services, social or recreational services and providing prescribed equipment, supplies and other goods. These services are provided through community agencies such as Cumberland Senior's Support Program, Community Resource Centre of Goulbourn, Kanata and West Carleton, Visiting Homemaker's Association, King's Daughters Dinner Wagon, and Personal Choice Independent Living. The Ministry of Health subsidy to these agencies is \$12.6 M. It is estimated the Region will pay \$6.2 M. Many of these agencies are volunteer driven and some receive funding from the United Way and RMOC through grants. In addition, some of the elderly person centres receive funding from lower tier municipalities.

- The Region will now be responsible for funding half of the cost of long term care institutions in Ottawa-Carleton. It is estimated the Region will pay an additional \$26 M annually to these facilities. In addition to the three Regional Homes, the other 16 long term care facilities are operated under, charitable institution boards or the private sector and have no reporting relationship with Regional Council.

The total increased costs are projected to be \$63.7 M.

This report addresses the issues of funding, accountability and integrated service that arise from the Provincial announcement.

DISCUSSION

The shift of 50% of the funding responsibilities for long term care in Ottawa-Carleton to the Region will cost the local property tax payer an estimated \$63.7 M dollars annually. While the Province of Ontario continues to argue that the demand on the property taxpayer will not be any greater than it is under the present model of service delivery, there is concern in the long term care sector that demographic trends will result in a dramatic increase in service needs well into the next century, resulting in additional costs to the regional taxpayer.

The increasing demands are not limited to the senior citizen population as the demand for long term care services required by individuals in Ottawa-Carleton under the age of 65 years is also expected to rise.

There are a number of areas where the Region could potentially face escalating costs. These include increased demand for long term care beds, condition of existing long term care facility capital stock, transfer of services from acute care hospitals to the community, and growing demands for home care and other community support services.

As well, while the cost of additional long term care institutional and community services will be funded 50% through the property tax, there will be no regional control of the system.

Long Term Care Facility Beds

Currently, there are 19 long term care facilities in Ottawa-Carleton with a total capacity of 3,306 beds, with an additional 191 approved (70 opening this year at Glebe Centre and a further 44 in 1998 at Centre d'accueil Champlain). The Region has supported the District Health Council in its request to the Province for new beds to support the increasing over age 65 population. The hospital restructuring process is expected to result in the closing of acute care beds and Council has endorsed the District Health Council recommendation that savings from the acute care sector be reinvested in community and institutional long term care services.

Similarly, the replacement of chronic care beds with long term care beds has been supported as an appropriate direction, as was the case with the Perley Hospital, now Perley Rideau Health Centre. The Region would be responsible for sharing in the operating funding of these beds if chronic hospital beds are designated long term care beds. Using rough estimates, it will cost the Region approximately \$10,000 per additional long term care bed annually in operating subsidies.

When the Perley Rideau Health Centre and the 70 new beds at Glebe Centre are fully operational Ottawa-Carleton will have a shortfall of 50 long term care beds using the District Health Council target of 5% of the population over 65. It is projected that we will need a minimum of 1,500 new beds by 2011.

As well, the Province has identified that much of the current stock of long term care facilities is in need of upgrading. The Ministry of Health, in collaboration with the Association of Municipalities of Ontario, the Ontario Nursing Home Association and the Ontario Association of Non-Profit Homes and Services for Seniors, is in the process of developing capital funding options that may require annual subsidies. The Commissioner, Homes for the Aged, is a member of the Committee developing the new capital funding policy. Formulas under consideration may result in additional costs to the Region.

Community Long Term Care Services

For similar reasons we can expect a dramatic increase in demand for Home Care services should acute care beds be closed. Earlier discharges, longer home convalescent periods and the reorganization of services to limit hospital stays will result in an increased demand for Home Care services. This means a shift in funding responsibility from the Ministry of Health to the Region since the Region would fund 50% of community long term care and does not contribute to the cost of hospital care.

The Province estimates the average cost per Home Care client in 1995/96 was \$2,313. The Region would be responsible to fund 50% or \$1,150.

Accountability and Integrated Management

With the shift of responsibility for Home Care from the Region to the newly created CCAC, the Region has lost a major opportunity to manage the services that we are now responsible for funding.

An effective long term care program is a system that provides a seamless continuum of services and an integrated client and management information system. The integrated system includes assessment, case management, provision of an appropriate basket of services delivered at the right time, in the right place by the right service provider and ongoing evaluation and continuous improvement. Services may be provided at home, in the community or in an institutional setting. Movement between the levels of service depends on client need. With sound management, the system is more cost effective and achieves higher client satisfaction by reducing inappropriate service levels and duplication of information gathering and analysis.

Unfortunately, under the proposed system, while required to fund 50% percent of the costs, the Region has no responsibility for the system planning, management or evaluation of services, therefore, no accountability to the property tax payer for the spending of their dollars, nor to the client for the quality, or appropriateness of the services provided.

In order to control the costs and adequacy of long term care services provided in this community, the Regional Municipality must have direct involvement in planning for, and delivery of the appropriate services. If every new long term care bed will cost an additional \$10,000 to the Region then it is essential that the Region have a say in how many beds we are to have and where they are to go. If every additional Home Care client will cost the Region an additional \$1,150, it is essential that the Region maintains the responsibility for Home Care services. Only then will it be possible to achieve the efficiencies through system integration and management necessary to ensure costs are controlled and resources used effectively. Planning locally will ensure that all possible service options are considered before new beds are added. In many cases, it may be possible to enhance other community residential care options including Home Care services at lower costs.

There are obvious opportunities for further system integration and rationalization in the regional model through the health promotion programs of the Region's Health Department and the programs of the Region's Social Services Department.

PUBLIC CONSULTATION

There was no public consultation.

FINANCIAL IMPLICATION

The potential increase in costs to the RMOC is \$63.7 M beginning in 1998.

CONCLUSION

Additional community and institutional long term care resources are needed but, they must be considered as part of an integrated continuum of long term care, health and social services. It is in the best interest of the clients and the provincial and property taxpayers to ensure accountability at the Regional level for the quality and level of services provided. Given the financial responsibility for long term care migrating from the Province, it should be recognized that for every dollar saved in long term care costs, the Province will save 50 cents and the Region will save 50 cents.

To ensure accountability to the taxpayers of the Region, it is vital that the management of the long term care system be local and integrated.

Approved by
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Approved by
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