

Our File/N/Réf. 03-07-96-0127
Your File/V/Réf.

DATE 12 June 1996

TO/DEST. Chair and Members, Community Services Committee

FROM/EXP. Committee Co-ordinator

SUBJECT/OBJET **REGIONAL CORPORATE REVIEW - SOCIAL SERVICES,
HEALTH AND HOMES FOR THE AGED DEPARTMENTS**

DEPARTMENTAL RECOMMENDATIONS

That the Community Services Committee and Council approve the following recommendations:

Social Services Department

1. The termination of Regional funding in the amount of \$700,000 gross/ \$140,000 net, to six (6) drug and alcohol recovery programs (Gateway House, Harvest House, House of Welcome, James Street Recovery, Salvation Army Anchorage and Sobriety House) to reflect the transfer of responsibility for these programs to the Provincial Ministry of Health;
2. For the 1997 budget, the elimination of prescription drugs as an item of Special Assistance and Supplementary Aid to reflect Provincial Government policy changes and resulting in a net reduction of \$254,000.
3. For the 1997 budget, the elimination of the discretionary Back to School Allowance, resulting in a \$125,000 net savings.

Health Department

1. That the Health Department cease collecting immunization histories prior to school admission, and eliminate booster immunization clinics for a total savings of \$406,000.00.
2. That the Health Department reduce food handler training for a savings of \$27,000.00.
3. That the Health Department provide third trimester pregnancy classes only on a cost recovery basis for a savings of \$25,000.00.
4. That the Health Department reduce its coordination role for the Regional Interagency Suicide Prevention Program for a savings of \$53,000.

Homes for the Aged Department

That the Community Services Committee and Council receive this report for information.

BACKGROUND

At its meeting of 22 May 1996, Regional Council received the Chief Administrative Officer's report on the Corporate Review and referred the recommendations contained therein to the appropriate Standing Committees.

Attached hereto are Annexes A through C, which provide additional information pertaining to the above-captioned recommendations.

*Approved by
M. J. Beauregard*

REGIONAL MUNICIPALITY OF OTTAWA CARLETON

REPORT

MUNICIPALITÉ RÉGIONALE D'OTTAWA CARLETON

RAPPORT

Our File/N/Réf.

Your File/V/Réf.

DATE 21 May 1996

TO/DEST. Coordinator, Community Services Committee

FROM/EXP. Chief Administrative Officer
Commissioner, Social Services Department

SUBJECT/OBJET **ANNEX A: SOCIAL SERVICES DEPARTMENT**

DEPARTMENTAL RECOMMENDATIONS

- 1. That Community Services Committee and Council approve the termination of Regional funding, \$700,000 gross/ \$140,000 net, to six (6) drug and alcohol recovery programs (Gateway House, Harvest House, House of Welcome, James Street Recovery, Salvation Army Anchorage and Sobriety House) to reflect the transfer of responsibility for these programs to the Provincial Ministry of Health.**
- 2. That Community Services Committee and Council approve for the 1997 budget, the elimination of prescription drugs as an item of Special Assistance and Supplementary Aid to reflect Provincial Government policy changes and resulting in a net reduction of \$254,000.**
- 3. That Community Services Committee and Council approve for the 1997 budget, the elimination of the discretionary Back to School Allowance, resulting in a \$125,000 net savings.**

PURPOSE

The purpose of this annex is to present the Social Services Department's identified administrative efficiencies and program changes.

DISCUSSION

As part of the Corporate Review, the Social Services Department identified several administrative efficiencies to be recovered over the course of 1997. They are:

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|---|--|
| <ul style="list-style-type: none"> • Human Resources/Payroll
(\$25,000 in net savings) | <p>These savings are a result of the HRIS implementation and the consolidation of the payroll function between Social Services and Health.</p> |
| <ul style="list-style-type: none"> • Consolidation of District Offices
(\$100,000 in net savings) | <p>These savings represent the annualization of consolidating District Office C and F.</p> |
| <ul style="list-style-type: none"> • Supplementary Aid Program Delivery
(\$46,000 in net savings) | <p>The 1996 budget substantially reduced the benefits provided to clients under Supplementary Aid. These savings are the staffing impact of these decisions.</p> |
| <ul style="list-style-type: none"> • Reduction in caseload size to 31,500 with existing caseload ratio of 1:110
(\$1,200,000 in net savings) | <p>It is estimated that due to the Provincial changes to GWA eligibility, combined with the 1996 first quarter caseload trend, that the monthly caseload will decline to 31,500.</p> |
| <ul style="list-style-type: none"> • Improving Client Services
(\$775,000 in net savings) | <p>Over the course of 1996-97, the first re-engineered process of the Department's ICS initiative will be implemented.</p> |

In addition, the Social Services Department recommends the following program changes.

1. Recovery Homes:

Effective 1 June 1996 the Ministry of Health will be assuming funding and administrative responsibility for all drug and alcohol recovery homes formerly funded as halfway houses by MCSS or as hostels by the Region. Consequently, effective 31 May 1996 the Social Services Department will terminate funding to six (6) drug and alcohol recovery programs. The programs affected by this change are: Gateway House, Harvest House, House of Welcome, James Street Recovery, Salvation Army Anchorage and Sobriety House.

This change in funding source will reduce the Social Services Department's budget by \$700,000 gross and 140,000 net in 1997.

2. Elimination of Prescription Drugs:

Effective 1 April 1996, the Ontario Government announced that prescription drugs would no longer be approved for cost-sharing as an item of Special Assistance or Supplementary Aid. Instead, low-income residents are required to access the Trillium Drug Program to assist them in the purchase of prescription drugs.

Recently, Regional Council authorized the use of up to \$175,000 to provide interim assistance to eligible clients in need over the course of 1996. However, the 1997 budget will be reduced by \$254,000 net to reflect Provincial Government changes.

3. Back to School Allowance:

As part of the GWA program, a back to school allowance is provided on a mandatory basis for families with children who are in receipt of GWA in the month of August. In Ottawa-Carleton, a discretionary Back to School Allowance is also provided as an item of special assistance to eligible adult learners returning to school or to families with children who do not receive the mandatory allowance.

The Social Services Department is proposing the elimination of the discretionary Back to School Allowance for 1997. This will result in a net saving of \$125,000.

CONCLUSION

The above administrative efficiencies of \$2,146,000 (net) and recommended program changes of \$519,000 (net) will result in \$3,992,000 gross and \$2,665,000 net savings and will impact 44 FTEs.

*Approved by
C.M. Beckstead and Dick Stewart*

REGIONAL MUNICIPALITY OF OTTAWA CARLETON

MUNICIPALITÉ RÉGIONALE D'OTTAWA CARLETON

REPORT

RAPPORT

Our File/N/Réf.

Your File/V/Réf.

DATE 17 May 1996

TO/DEST. Coordinator, Community Services Committee

FROM/EXP. Chief Administrative Officer
Acting Medical Officer Of Health

SUBJECT/OBJET **ANNEX B: HEALTH DEPARTMENT**

DEPARTMENTAL RECOMMENDATIONS:

- 1. That Community Services Committee and Council approve that the Health Department cease collecting immunization histories prior to school admission, and eliminate booster immunization clinics for a total savings of \$406,000.00.**
- 2. That the Community Services Committee and Council approve that the Health Department reduce food handler training for a savings of \$27,000.00.**
- 3. That the Community Services Committee and Council approve that the Health Department provide third trimester pregnancy classes only on a cost recovery basis for a savings of \$25,000.00.**
- 4. That the Community Services Committee and Council approve that the Health Department reduce its coordination role for the Regional Interagency Suicide Prevention Program for a savings of \$53,000.00.**

PURPOSE

The purpose of this annex is to present the Health Department program changes and administrative efficiencies identified in the Corporate Review.

DISCUSSION

Funding Pressures:

The Health Department faces a series of possible funding reductions in 1997 and beyond. With the probable departure of the Home Care Program to a Community Care Access Centre (CCAC), reductions in allocated costs are estimated at \$315,000, and the phase in period for this transition is unknown. The settlement of the CIPP job evaluation will lead to an estimated base adjustment of \$535,500, and provincial cost sharing for this is likely to be partial at best. Finally, the department could face a reduction in conditional grants for public health programs, although no reductions are currently anticipated for 1997 and 1998.

Funding Ratio - Cost Shared Programs

Most of the Department's programs are cost-shared, although some are entirely funded by either the province or the Regional Municipality of Ottawa-Carleton. Core public health programs, as set out by the Ministry of Health, are cost shared by the province and the RMOC on a 75% to 25% ratio. At several points in the past, Regional Council elected to increase the Region's funding share when the province declined to cost share certain increases, resulting in the current ratio of 62% to 38%.

For example, Regional Council elected to fund the full cost of salary increases resulting from the CUPE and MPE job evaluation settlements, rather than laying off staff, when the province declined to cost share in the settlement. Over the years Regional Council has also added staff positions in the Health Department which the province does not cost share, notably the HIV Community Liaison Officer, the Environmental Health Advocate and the Suicide Prevention Coordinator. Finally, Council created the one time and sustaining Health Grants programs, which are 100% Regionally funded.

Corporate Review Strategy

There are two major initiatives that must be completed before the Department can make recommendations beyond the 1997 budget. First, the Health Department is currently working with the Internal Audit Department to review management structures and administrative functioning. Internal Audit will be making recommendations by the end of the summer. Second, the Ministry of Health is currently conducting a review of the mandatory program requirements. The report of the first phase of this exercise which concerns Healthy Growth and Development Programs is scheduled for completion by early fall 1996. It is anticipated that mandatory requirements will be reduced in a number of areas. In consideration of these factors, the Health Department is recommending the following two phase approach to its participation in the Corporate Review exercise.

Phase 1: The classification of all Health Department programs as either core or non-core, and the subsequent recommendation of \$887,900 in service level reductions and administrative efficiencies for the 1997 budget to address provincial funding reductions. This step is complete.

Phase 2: The implementation of the recommendations of the Internal Audit review, and the review of all existing Health Department programs in relation to the revised mandatory program requirements. The outcome of this program review will be to clearly distinguish the core Health Department programs, which are cost shared with the province, from those which are non-core. Mandatory programs will be defined as only those which are fully cost-shared by the province. This will be accomplished through service level reductions and identifying existing program elements as non-core based on the modified mandatory program requirements. These non-core programs will then be prioritized along with all other Corporate non-core programs.

Phase 1: Recommendations for Service Level Reductions - 1997 Budget

Immunization Program:

Savings - \$406,000

The Immunization Surveillance program currently obtains the immunization histories of children registering in area schools prior to their admission to school. However, obtaining these histories and assessing the immunization status of these students can be done during the school year. The implication of this reduction is that immunization information may not be complete should an outbreak occur early in the school year.

As well, in the past the Health Department has offered immunization clinics at each High School to students due for a booster. Boosters can be obtained by students without charge from their physician. On a yearly basis approximately 25% of the High School students in Ottawa-Carleton become due for this booster. Of the students who are due only 19% of this population choose to receive their immunization from the department's High School clinic program. Since this program is not mandated and since it is readily available elsewhere, it is recommended that it be discontinued.

Food Safety:

Savings - \$27,000

The Food Safety program provides food handler training to restaurant personnel (2,500 per year) and to the public. The proposed reduction would result in fewer food handlers being trained in safe food handling practices.

Pre-Natal Late Pregnancy Classes:

Savings - \$25,000

This program consists of classes offered in the last trimester of pregnancy which are not part of the Ministry of Health Mandatory Core Pre-Natal programming. The Health Department's mandate where prenatal classes are concerned is to provide classes early in pregnancy. The late

pregnancy sessions cover: breast feeding, bringing the baby home and a review of labour and delivery. Since this program is not mandated it is recommended that the program continue to be offered, but only on a cost-recovery basis.

Suicide Prevention:

Savings - \$52,800

Suicide is an important health issue in this Region. However, suicide prevention is not mandated by the province. The Department's role has been to fund the salary of a coordinator to coordinate the suicide prevention activities of the Regional Interagency Suicide Prevention Program (RISP). There is potential for other agencies more directly involved to take over the lead role.

It is proposed that resources allocated to the Suicide Prevention Program be reduced by replacing the full time coordinator with a purchase of service agreement (\$10,000), to cover the cost of the annual regional conference and the ongoing maintenance of the resource manuals developed by the RISP Program. The ongoing Health Department coordination of the RISP committees and activities would be discontinued.

Phase 2: Review of Management Structure/Function and Identification of Discretionary Programs

If the 1997 reductions proposed in this report are accepted by the Community Services Committee and Council, the cost for the Health Department to deliver core programs and existing non-core programs will total \$15.255 million, leaving \$2.224 million in non-core programs and administrative efficiencies to be defined during phase two of the Corporate Review. Note that these figures assume the province will not cost-share the CIPP pay equity settlement; that the CCAC will not purchase financial/administrative services from the Health Department; and that Ministry of Health funding remains constant.

The options available to the department to meet the \$2.224 million target are: to reduce service levels within core programs, to eliminate or reduce non-core programs, or to reduce the cost of management and support functions. The department proposes to conduct a complete examination of all management and support functions before proposing any further reductions which will have impacts on service. The Department is currently working with Internal Audit on a review of its management structure and administrative functions to identify additional savings.

CONCLUSION

The Department has identified administrative efficiencies through reorganization and service streamlining in the Adult Directorate to produce a savings of \$377,100 and is recommending program changes as described in this report. The overall result will be a reduction of 18 FTE's and a total savings of \$887,900 effective as of 31 December 1996.

Given the assumptions outlined above, the Health Department is facing increased salary and benefit costs, and reduced recoveries within its departmental budget envelope, as well as its contribution to Corporate reductions in unconditional grants. The approach proposed in this report will allow the Region to clearly meet its legislated obligation to deliver core public health programs, and to identify and prioritize other non-core public health programs which it may also wish to deliver, in the context of its mission and the results of the Corporate Review.

*Approved by
C.M. Beckstead and G. Dunkley*

REGIONAL MUNICIPALITY OF OTTAWA CARLETON

MUNICIPALITÉ RÉGIONALE D'OTTAWA CARLETON

REPORT

RAPPORT

Our File/N/Réf.

Your File/V/Réf.

DATE 14 May 1996

TO/DEST. Coordinator
Community Services Committee

FROM/EXP. Chief Administrative Officer
Commissioner, Homes for the Aged

SUBJECT/OBJET **ANNEX C: HOMES FOR THE AGED**

DEPARTMENTAL RECOMMENDATION

That the Community Services Committee and Council receive this annex for information.

PURPOSE

This annex summarizes the departmental plan to respond to provincial funding reductions and the Corporate Review through service delivery streamlining and administrative efficiencies.

DISCUSSION

The long term care sector has been in a state of uncertainty and change since the late 1980's. Anticipated demographic change and the growing fiscal crisis in health care led successive provincial governments to review the long term care system. In 1992, the provincial government implemented new long term care standards, a level of care classification system, a compliance system and a new funding formula.

The goal of the new system is to reallocate the existing long term care facility funding across the sector based on level of care classifications. Unfortunately, the new system is being implemented in a time of fiscal restructuring and cutbacks. As a result, the funding does not provide for the scope and range of services currently provided in many homes for the aged. It is hoped that when the hospital restructuring process is completed, dollars saved in that sector will be reallocated to the long term care system and the level of care funding will be increased. In the restructuring

process currently underway in Ottawa-Carleton, the District Health Council has recognized the need and made reinvestment in long term care a high priority.

When the new long term care system was introduced, a number of special arrangements were made between the Ministry of Health and long term care facilities such as red-circling of many homes for the aged, including the RMOC homes and subsidies for capital costs and property taxes for some nursing homes. About 90% of long term care facilities currently receive some special funding. In March 1996, the ministry announced the full implementation of the level of care funding system and the phasing out of special arrangements. This action will result in a reduction in provincial funding to many long term care facilities, including the RMOC homes, to be phased in over the next three years. The dollars will be reallocated across the system according to the level of care classification of each facility.

The department, assisted by the Internal Audit Department, undertook a process to develop strategies to improve the efficiency and effectiveness of the homes for the aged, while minimizing the impact on the quality, scope and level of care provided to the residents. The process included:

- a review of the departmental mission, values, planning assumptions and strategic directions
- a study of other long term care facilities including benchmarking of staffing and levels of service,
- review of current staffing and levels of service
- cross-departmental consultation to develop organizational design, operational and service delivery options

Of particular assistance to the department has been the experience of the Metro Toronto Homes for the Aged who face similar challenges and have developed similar staffing and level of service guidelines and implementation strategies.

The department has developed a three year plan to implement new staffing and level of service guidelines, increase revenue and explore partnerships and alternative service delivery options. The impact of the implementation will be monitored and evaluated to ensure level of service and quality standards are maintained at as high a level as possible

RATIONALE

The departmental decision-making framework includes the following principles:

- focus on resident care and quality of life
- maximize efficiency gains in indirect service areas
- minimize job loss
- maintain community partnerships
- value and continue our commitment to volunteerism
- reinforce and continue our commitment to process improvement

The rationale for a three year plan is to:

- parallel reductions in provincial funding, provide time for a planned approach to restructuring services
- minimize staff job loss by maximizing opportunities for employee attrition and vacancy management
- achieve maximum efficiencies in non-direct care services
- achieve additional revenue when the expanded Centre d'accueil Champlain is completed
- provide time for the implementation of the replacement of Island Lodge which will result in substantial operating savings

The key components of the departmental plan to achieve administrative efficiencies and streamline service delivery are the new staffing and level of service guidelines that incorporate the departmental commitment to quality, affordability and continuous improvement. The department will continue to meet all provincial and accreditation standards.

IMPACT

There will be changes in the ways services are delivered to the residents and in schedules, frequency and variety of some programs with every attempt being made to minimize the impact on direct resident care. While a high priority for the department is to achieve efficiencies in non-salary areas, with 84% of our budget in staffing and with the size of the expenditure reductions there will be a net loss of 32 full time equivalents for 1997.

CONCLUSION

Implementation of service delivery streamlining and administrative efficiencies will result in \$2,201,000 gross savings and \$1,182,000 net savings in 1997.

*Approved by
C.M. Beckstead and G. Armstrong*