SUBJECT: Increase to Discretionary Denture Program 2007 (ECS07054) (City Wide)

RECOMMENDATION:

(a) That Report ECS07054 respecting the Discretionary Denture Program be received.

(b) That the General Manager of Community Services be authorized and directed to increase the fees of the Discretionary Denture Program to 75% of the 2007 Ontario Dental Association (ODA) Suggested Fee Guide.

(c) That the potential increase in budget of $38,620 gross, $12,350 net, be covered within the 2007 budget and the annualized impact will be deferred to the 2008 Budget Deliberations.

(d) That the General Manager of Community Services be authorized and directed to increase the fees of the Discretionary Denture Program annually to reflect 75% of the current fee guide.

Joe-Anne Priel
General Manager,
Community Services Department
Special Supports Section (Benefit Eligibility Division, Community Services Department) delivers the Discretionary Dental and Denture Program. The Program assists recipients of Ontario Works (OW) and the Ontario Disability Support Program (ODSP) as well as low-income individuals who are not in receipt of social assistance. Provision of dentures to OW and ODSP recipients is a health-related discretionary benefit for which the Ministry of Community and Social Services (MCSS) provides cost sharing (80/20). Benefits provided to low-income and seniors are funded 100% by the municipality. Consolidated Municipal Service Managers (CMSM) are designated and have the local authority to approve discretionary benefits on a case-by-case basis as set out in O. Reg. 134/98 and 222/98.

The present fee structure for the provision of dentures makes it difficult for individuals with low-incomes to afford the cost of dentures. The current fees are set at approximately 50% - 70% of the 2007 ODA Suggested Fee Guide (not including lab fees). We currently approve $885 for complete dentures, $265 for a partial acrylic denture and $330 for a partial cast denture. It is estimated that the average user contribution for dentures is $500 to $700. This user contribution varies based on the dentist/denturist and type of denture required. It is also estimated that 30% to 50% of the clients approved for Special Supports Funding of Dentures do not follow through with obtaining dentures since they are unable to pay the user contribution to the dentist/denturist. If the staff recommendations of Report ECS07054 are approved, the fees will change to $915 for complete dentures, $344 for a partial acrylic denture and $624 for a partial cast denture. The major incremental change is attached to the partial dentures.

The benefits of dentures extend beyond physical appearance. Without teeth to support the jaw and gums, skin can hang and sag, impairing a person's ability to eat and speak. These complications can dramatically affect one's quality of life. By increasing the cap for the discretionary denture program to 75% of the current ODA Suggested Fee guide the client contribution toward the full cost of the dentures would be reduced which would enable a person with low income to obtain the required dentures.

**BACKGROUND:**

The Special Supports Section (Benefit Eligibility Division, Community Services Department), provides a variety of mandatory and discretionary benefits, such as dental and denture services, diabetic and surgical supplies, bath equipment, utilities arrears and funerals to OW and ODSP recipients and to low-income residents (not in receipt of social assistance). The majority of benefits offered to OW and ODSP recipients are cost shared 80/20 with the MCSS. Benefits offered to low-income residents (non-social assisted) are funded at a municipal cost of 100%.

In December 2004, Council received a report on the Special Income Business Process Review (HCS04073). The report contained information on recommended changes and expected outcomes to the Special Supports Section. The Special Supports Section has continued to action items identified in the report, as outlined in the Information Report.
dated December 14, 2006. The provision of Denture Services was identified in the report and it was recommended that the provision of Denture Services be tendered to assist in the realization of program savings.

A Request for Tender (RFT) for the “Provision of Denture Services” was issued in March 2006 and closed in April 2006. Prior to closing, an information session was conducted for potential bidders. Two denturists attended the session and reported the following:

- It would be more cost-effective to award the tender to three or four denturists, rather than a sole provider.
- The denturists had tried to manufacture the dentures and not bill the recipients for the user contribution over and above the amount approved by Special Supports; however, they found that clients were not showing up for appointments and that they were not wearing their dentures once received. The denturists felt that paying for part of the denture cost would put more responsibility on the client.
- The Fee Schedule currently used by the City of Hamilton is out-of-date and does not reflect the true cost of dentures, especially in the area of partial dentures.

No bids were received for that particular RFT; however, the Purchasing Section did receive calls of interest after the RFT closed.

A second RFT was issued in September 2006 and closed in October 2006. This RFT took into account the recommendations provided by the denturists who attended the previous information session. Two bids were received, both of which were over the current budget (one was over by 10% and the other by 45%). It was recommended at this point to request a “Policy 11” in order to negotiate with the bidder who was closer to the contract price. The Manager of Special Supports contacted the bidder and their response to lower the financial impact was as follows:

- Increase the number of relines. This would decrease the number of full dentures requested by 30%.
- Eliminate the provision of cast partials and manufacture only acrylic partials; a savings would be realized (note: there is a $70 difference between the cost of an acrylic partial and a cast partial denture).

The response was reviewed by the Public Health Dentist (Dr. Wiebe) and his conclusions were as follows:

- Dentists cannot substitute a reline for full dentures since dentures are only approved once every 10 years and a reline every two years.
- It was agreed that acrylic partials could be substituted in most cases for cast partials.

Based on the outcome of both RFTs and the history of the denture program, the tender was cancelled as budget savings could not be realized.
Currently, the City pays 50% of the ODA Suggested Fee Guide for partial dentures (not including the lab fees) and 75% of the ODA Suggested Fee Guide for full dentures. Based on this inconsistency in the benefits provided, it is recommended that the Special Supports Discretionary Fee Schedule for Partial Dentures be increased to 75% of the ODA Suggested Fee Guide (not including lab fees) and that benefits for both partial and full dentures be increased annually to reflect the annual increases recommended by the ODA. By increasing benefits rate within the Special Supports Discretionary Fee Schedule will help ensure that clients attain the dentures required and improve quality of life.

**ANALYSIS/RATIONALE:**

During the Special Income Business Process Review in 2003, an environmental scan was completed to compare the benefits and services provided by other CMSMs. All municipalities use denture caps or set fees but the rates vary considerably. See Appendix A to Report ECS07054 for a rate comparison chart.

Appendix A to Report ECS07045 illustrates Hamilton’s cap is higher than most municipalities except for the City of Ottawa; they were providing $1,060 per each full set of complete dentures and $440 for partial dentures; the City of Hamilton is currently $885 per each full set of complete dentures and $235-$330 for partial dentures. All other municipalities surveyed (London, Kitchener-Waterloo, Peel, Toronto and Niagara) approved lower benefit costs for dentures than Hamilton. The survey indicated that dentures were generally provided by those municipalities every three to five years, except in Hamilton where they are provided once every 10 years and in Windsor, where they are provided as required after a public health assessment.

The September 2004 report on “Health and Homelessness: Health Needs Assessment (HCS04062)” flagged dental services and the provision of dentures as a health requirement. Of the respondents who participated in the Homelessness Survey, 26% reported they were missing teeth and had no dentures.

**ALTERNATIVES FOR CONSIDERATION:**

The Discretionary Denture Fees could remain at current rates. Clients would experience a further financial hardship as they are required to find an alternative source of funding to pay for the user contribution. It is estimated that the average user contribution for dentures is $500 to $700.

Based on the results of the first two RFTs for this service, it is staff's recommendation that future RFTs not be considered for the provision of dentures.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**
Financial:
Based on the staff recommendation to increase the denture fee, there would be an additional increase to the actual budget of $77,240 gross/$24,697 net. If approved, the financial impact to the approved budget would be based on the remaining six months, which equates to a net budget impact of $12,350. It is anticipated that this impact could be covered through the existing budget and that a recommendation to increase the denture budget be included in the 2008 budget process. The approved budget for dentures for 2007 is $640,000 gross/$208,000 net.

Staffing:
There are no staffing implications associated with the recommendations of Report ECS07054.

Legal:
There are no legal implications associated with the recommendations of Report ECS07054.

POLICIES AFFECTING PROPOSAL:
Not applicable.

RELEVANT CONSULTATION:
Consultation has occurred with:

- Strategic Services Division of the Community Services Department;
- Dental Program, Healthy Living, Public Health Services Department;
- Finance and Administration Section, Budgets and Finance Division, Corporate Services Department; and,
- Purchasing Section, Financial Services Division, Corporate Services Department.

CITY STRATEGIC COMMITMENT:
By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No
Public services and programs are delivered in an equitable manner, coordinated, efficient, effective and easily accessible to all citizens. Increasing the allowable cap for dentures would ensure equity with the dental program.

Environmental Well-Being is enhanced. ☐ Yes ☑ No
Economic Well-Being is enhanced. ☑ Yes ☐ No
The recipient contribution towards the cost of dentures often causes financial hardship. Due to the contribution requirement, some recipients may choose not to obtain dentures, which increases their health risks. By reducing the recipient’s contribution, their level of financial hardship is reduced.

Does the option you are recommending create value across all three bottom lines? ☐ Yes ☑ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☐ Yes ☑ No
## RATE COMPARISON BY MUNICIPALITY

<table>
<thead>
<tr>
<th>CMSM BENEFIT PARAMETERS</th>
<th>NIAGARA</th>
<th>OTTAWA</th>
<th>LONDON</th>
<th>KITCHENER / WATERLOO</th>
<th>TORONTO</th>
<th>PEEL</th>
<th>WINDSOR</th>
<th>HAMILTON</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FREQUENCY</strong></td>
<td>3 - 4 yrs</td>
<td>5 yrs</td>
<td>3 yrs</td>
<td>No response</td>
<td>5 yrs</td>
<td>5 yrs</td>
<td>Assessed by Health Dept</td>
<td>10 yrs</td>
</tr>
<tr>
<td><strong>DOLLAR CAP</strong></td>
<td>Half of the lowest estimate</td>
<td>CD $1,060</td>
<td>CD $700</td>
<td>CD $366</td>
<td>CD $583</td>
<td>CD $623</td>
<td>Assessed by Health Dept</td>
<td>CD $800</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PD $440</td>
<td>PD $350</td>
<td>PD $308</td>
<td>PD $275-$308</td>
<td>PD $381-$485</td>
<td></td>
<td>PD $235-$300</td>
</tr>
<tr>
<td><strong>TARGET GROUP OW / ODSP AND/OR LOW INCOME</strong></td>
<td>All</td>
<td>All</td>
<td>All</td>
<td>All</td>
<td>All</td>
<td>OW / ODSP</td>
<td>All</td>
<td>All</td>
</tr>
</tbody>
</table>

*CD = Complete Dentures, PD = Partial Dentures*