SUBJECT: Homemakers and Nurses Services Program Update (HCS03012(f))
(City Wide)

RECOMMENDATION:

a) That the transfer of the Homemakers and Nurses Program be extended beyond December 31, 2006 to no later than March 31, 2007, and that up to $99,930 be allocated from the Social Services Initiatives Fund to support the program until the transition plan has been finalized.

b) That staff provide Council an Information Update on the negotiated transition plan for the Homemakers and Nurses Services Program prior to implementation.

c) That staff refer any potential fiscal impacts resulting from the negotiated transition plan for the Homemakers and Nurses Services Program to the 2007 budget process.

Joe-Anne Priel
General Manager
Community Services Department

EXECUTIVE SUMMARY:

The Homemakers and Nurses Services Program is a discretionary program cost shared (80/20) with the Ministry of Health and Long Term Care (MOHLTC). The City of Hamilton has been working closely with the MOHLTC since 2003 to transfer the program off the municipal tax levy. It had been anticipated that the program would be transferred to a community agency by the end of the first quarter of 2006. By the end of
March however, the City had still not received final approval for the transfer from the MOHLTC. Subsequently, on April 26, 2006 Council approved another extension of the transfer of the program until December 31, 2006 with City funding for the remaining nine months of the year not to exceed $258,580, to be allocated from the Social Services Initiatives Fund (Social Services Committee Report HCS03012(e) – April 25, 2006).

The MOHLTC provided official confirmation on July 4, 2006 of Ministerial approval of Participation House Hamilton and District (Participation House) as the community service agency to provide community support homemaking services with annualized funding of $997,000. The amount of funding approved is significantly less than the $1.4 Million that had originally been requested through the City’s on-going discussions with Ministry staff. The approved funding reflected MOHLTC subsidy for the period April 2004 to March 2005 rather than the maximum provincial funding envelope that had existed for the program in the past.

The MOHLTC originally anticipated that a three month period would be required to successfully transition clients to the new service agency. Staff have been working closely with Participation House and the Ministry since July to develop and implement a plan to facilitate a smooth and seamless transition of current homemaking supports while being cognizant that the funding received to support this change is significantly less than what had been anticipated.

As recently as October 1, 2006 staff had anticipated that the transition plan would be finalized and that the transition of services could begin to occur by January 1, 2007. Unfortunately, Participation House has not yet been able to finalize its service delivery model, nor have funding negotiations between MOHLTC and Participation House been completed at this time. It is not certain whether the transition plan will be finalized and implemented by year end; therefore, it is likely that the City will be required to continue its commitment to the program beyond December 31, 2006. Staff is recommending that Council approve an extension of the transition date and is recommending that funding of up to $99,930 be allocated from the Social Services Initiative Fund to support the ongoing program costs until the transition plan is finalized. While staff are hopeful that planning for the transition will be finalized in a timely manner, the $99,930 represents the maximum potential program costs for the first quarter of next year (January 1, 2007 to March 31, 2007).

Staff continues to work closely with the MOHLTC and Participation House to ensure a smooth and seamless transition of services for clients. Should the negotiated transition plan result in significant service level impacts for current clients or service providers however, staff will seek input from Council prior to moving forward with plan implementation.

Any potential fiscal impacts resulting from the negotiated transition plan for the Homemakers and Nurses Services Program will be referred to the 2007 budget process.
BACKGROUND:

The City of Hamilton has managed the Homemakers and Nurses Services program for more than 25 years. This is a claims based program, cost shared 80/20 with the MOHLTC. The majority of municipalities withdrew from the provision of these services when the Community Care Access Centres (CCACs) were implemented across the province in 1997.

The City has been in negotiations with the MOHLTC since 2003 regarding the transfer of homemaking support services off the net levy. Referrals to the program were capped in February 2003 and a tentative target date for termination of the City’s program was set for January 1, 2004. City staff advocated for the maximum $1.4 Million provincial funding envelop to remain in the community for the provision of homemaking services after the City was no longer involved. It should be noted that the $1.4 Million allocation represented the upper limit of the official provincial funding allocation or envelop in 2003; however, as a claims based program actual annual expenditures had not traditionally reached that upper limit. On October 15, 2003, Council approved a program extension of six months with a new termination date set for June 30, 2004. City staff requested that the MOHLTC confirm their funding commitment to support the transfer of the caseload by April 1, 2004.

On April 14, 2004, in the absence of formal communication from the MOHLTC, and due to continued pressure to increase service, City Council approved the continuation of the City’s Homemakers and Nurses Services Program until June 30, 2005. Council also directed staff to re-open intake of new referrals to the program and approved the addition of intake and case management functions while continuing to negotiate the transfer of the program with the province. Council approved the funding for these changes to continue to June 30, 2005. One half of the municipal funding required for that period was secured through the Hamilton Future Fund ($179,520), and the remainder was supported through the City’s net levy ($179,520).

Upon re-opening intake of the City’s program, it was agreed that the CCAC would become the sole referral source for the program. In 2004, the CCAC began making an average of 70 referrals each month at a service level request of approximately 10 hours of homemaking service per client per month. Approximately 40% of referred clients were financially eligible to receive service.

Since opening intake to the program in April 2004 the number of clients receiving service each month grew significantly.
Homemakers and Nurses Services Program
Monthly Number of Clients Receiving Service*
April 2004 – August 2006

* The number of clients receiving service each month is less than the total monthly caseload (i.e. the August 2006 caseload is 602, while the total number of clients receiving service in August was 554). This is due to client circumstance such as temporary hospitalization, temporary visit with extended family, etc.

Negotiations continued between the City and the MOHLTC throughout 2004 and 2005, with a particular focus on budgetary analysis for the potential transfer. In order to successfully implement this transfer, the MOHLTC requested that spending not exceed Ministry’s 80% ($1.4 million allocated budget) and recommended in September 2005 that the City place a freeze on accepting new referrals.

Staff provided Council with an update in November 2005 (Report #HCS03012(c)). At that time, Council approved supporting the Ministry’s plan to transfer its funding to an appropriate community agency and approved a temporary freeze on new referrals with a request that staff report back in December 2005 detailing financial implications of not implementing a freeze. In December 2005 (Report #HCS03012(d)), staff reported that a decision to not implement an intake freeze may negatively impact the successful negotiations and could possibly set precedent for a demand driven service funded by 100% net levy. Council approved that the freeze on new referrals remain in place and approved an extension for transition with a new target date of April 1, 2006. The City of Hamilton’s 2006 Homemakers and Nurses Services Program budget was therefore developed based on the understanding that the program would be transferred by that date.

By the end of the first quarter of this year however, the City had still not received final approval for the transfer from the MOHLTC, and subsequently on April 26, 2006 Council approved another extension of the transfer of the program until December 31, 2006 with City funding for the remaining nine months of the year not to exceed $258,580 to be allocated from the Social Services Initiatives Fund (Social Services Committee Report #HCS03012 (e) – April 25, 2006).
Program expenditures in 2006 continue to remain within the funding approved by Council and the MOHLTC continues to provide provincial subsidy (80% of gross costs) on a monthly claims basis.

On July 4, 2006 the MOHLTC formally advised the City that it had officially approved Participation House as the community service agency to administer and deliver the program. The provincial funding for the provision of homemaking services will transfer from a cost shared program legislated by the Homemakers and Nurses Services Act to the MOHLTC Community Health Division 09B Home Help/Homemaking Services (Paid). An annual budget of $997,000 was approved to support the new agency in delivering the program. This is approximately $403,000 less than the $1.4 million requested by the City during discussions with the Ministry over the past three years.

ANALYSIS/RATIONALE:

Program Status Update

**Summary of Staff Activity to Facilitate Program Transfer:**
- April, May, June, July, August, September & October 2006 – conducted meetings with MOHLTC, CCAC, and Participation House to discuss transition planning, communication strategies and priorities.
- June 2006 – development of a client profile for the sharing of information.
- June 2006 – development of general profile of city caseload to identify themes for current levels of service.
- July 2006 – conducted statistical analysis of caseload according to monthly hours of service.
- August 2006 – met with MOHLTC to understand rationale for reduced funding approval and to explore capacity to proceed with transition within that context.
- August 2006 – consultation with City Legal Services to discuss and understand obligations of Purchase of Service Agreement
- October 2006 – met with current Service Providers to advise them of Provincial announcement and to discuss next steps in the development of a transition plan for transfer of program

Next Steps to Facilitate Homemakers and Nurses Services Program Transfer

**MOHLTC:**
The Homemakers and Nurses Services Program is legislated under the Homemakers and Nurses Services Act R.R.O. 1990, Regulation 634 Amended to O. Reg. 174/95.

The City of Hamilton submits monthly claims to the MOHLTC for the number of hours of homemaking service and is reimbursed 80% of gross cost. The MOHLTC have confirmed that the approved funding of $997,000 for the new agency (Participation House) was based on Ministry subsidy of the program for the Ministry fiscal year of April 2004 to March 2005. In April 2004, there were 336 individuals receiving homemaking
supports, and by the end of March 2005 558 clients were receiving those services. The total number of active clients at the end of August 2006 was 602, with 554 clients actually receiving service during that month.

The MOHLTC has indicated that no additional annualized funding will be approved beyond the $997,000, and that the transfer of the program cannot occur until the caseload size is reduced to match that funding (approved for Participation House). Most recent calculations by the Ministry indicate that a successful transfer with that funding may be possible for approximately 429 clients. Further analysis of this projection is required prior to finalizing the transition plan.

**CCAC:**
Negotiations also continue between the City, the MOHLTC and the CCAC for the transfer of a portion of the City's Homemaking and Nurses Services caseload. The CCAC has recently confirmed that approximately 174 of the City's caseload are eligible to receive homemaking supports through CCAC. The agency does not have funding available in its 2006/07 budget at the present time to accommodate this client group. However, the CCAC is currently undergoing a re-alignment with other area CCAC's as part of the Provincial Ministry of Health reform process. Funding levels for the newly developed CCAC’s will not be confirmed until later this year at the earliest. The MOHLTC and Hamilton CCAC remain committed to transfer the 174 eligible City of Hamilton Homemakers and Nurses Service Program clients to the CCAC caseload. Timelines and the process to support the transfer of this portion of the caseload have not been determined at this time.

**Participation House:**
Participation House has yet to finalize its service delivery model for homemaking supports to Hamilton residents. It hasn’t determined if it will contract with service providers to deliver services (as the City does) or deliver the home support services directly itself. The agency is also still finalizing budget negotiations for one time and annualized costs with the Ministry. City staff continue to meet with the agency to finalize the transition plan.

**Service Providers:**
The City of Hamilton currently has service agreements with five homemaking agencies that provide service to the caseload of 602 clients. Staff have met with the Service Providers to advise them of the announcement of the new Community Agency and to discuss next steps in the development of a transition plan for transfer of program.

**Clients:**
Staff from the MOHLTC, City of Hamilton and Participation House are committed to developing a plan that that ensures a smooth and seamless transition for clients. Specialized key messages targeted to the impacted clients will be developed as part of the transition plan’s communication strategy.
ALTERNATIVES FOR CONSIDERATION:

Council could consider terminating all Homemaking and Nurses services as of December 31, 2006 when current City funding ends. Staff are not recommending this alternative since it would put the city in the position of contravening the notification period required for service providers under the current Purchase of Service Agreements, and would also place clients at risk of losing service or having a break in service. Furthermore, this could have a negative impact on the current negotiations underway with the MOHLTC, Participation House and CCAC.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial Implications:
The estimated potential cost to the City of Hamilton to extend the transition for the transfer of the Homemakers and Nurses Services beyond December 31, 2006 to no later than March 31, 2007 is $99,930. Staff are recommending that funds be allocated from the Social Services Initiatives Fund to support the municipal portion of the program’s ongoing costs until the transition plan is finalized.

Staffing Implications:
There are currently 3.5 FTE staff positions allocated to the Homemakers and Nurses Services program. Staff have been kept apprised of the status of the transition plans to transfer the program to a community agency, and of the potential impact that change could have on Departmental staff. The Department will seek advice and direction from Human Resources on this issue prior to finalizing the transition plan.

Legal Implications:
Staff have consulted with the Legal Services Division to review the City’s obligations under the Purchase of Service Agreements currently in place with service providers. Until the transition plan is fully developed and finalized, it is premature to speculate on impact of the plan on existing service agreements.

POLICIES AFFECTING PROPOSAL:

The Homemakers and Nurses Services Program is legislated under the Homemakers and Nurses Services Act R.R.O. 1990, Regulation 634 Amended to O. Reg. 174/95. This discretionary program is targeted to financially eligible residents in need of basic homemaking services.

With the transfer of the program, the provincial funding for the provision of homemaking services will transfer from this cost shared program to the MOHLTC Community Health Division 09B Home Help/Homemaking Services (Paid).
RELEVANT CONSULTATION:

Departmental staff continue to meet with staff from the local area office of the MOHLTC, as well as staff from CCAC and Participation House to collectively develop a transition plan for the transfer of Homemakers and Nurses Services program. Further, both the MOHLTC and Participation House provided feedback to the staff during the development of this report.

Staff continue to provide updates on the development of the transition plan to service providers.

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
Services and programs are delivered in an equitable manner, co-ordinated, efficient, effective and easily accessible. Health and safety of clients is supported and independence of frail elderly clients is prolonged.

Environmental Well-Being is enhanced. Yes ☑ No

Economic Well-Being is enhanced. ☑ Yes □ No
Investment of Provincial dollars for services in Hamilton is sustained.

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