



Budget Submission Oral Presentation

As the 'voice of home care in Ontario', Home Care Ontario is pleased to offer pre-budget recommendations to support the government's agenda of "putting patients first."

Members of Home Care Ontario acknowledge and thank the government for the commitment to strengthening home and community care in the province. Home is where Ontarians want to remain, for as long as possible.

Over the past decade (between 2005/06 and 2014/15), CCAC funding (which includes funding for home care and other CCAC services, such as long-term-care home placement) has increased by 73% from \$1.4 billion to \$2.5 billion.¹

Investments have helped to increase the numbers of Ontarians receiving home care annually. In 2014/15, over 713,500 individuals received home care services.²

Funding has also enabled PSW wage enhancement, bringing the PSW minimum wage to \$16.50 per hour in April 2016.

However, **the issue of insufficiency remains.**

- Insufficient funding for care
- Insufficient compensation for home care staff (the nurses and therapists delivering care in the home)
- Insufficient support for family caregivers

Funding for care

As a province, the funding on home care services still represents only 5% of the health care budget³. This is the percentage of total funding as in 2000⁴.

So while the total funding has increased year over year it has not been enough to keep pace with the aging population, the chronicity and

¹ AG Dec 2015 pg 72

² AG Dec 2015 pg 71

³ AG Dec 2015 pg 72

⁴ Portraits of Home Care 2003 pg72

complexity of care, and the emphasis on pushing patients out of hospital to home.

- The annual growth rate of the senior age group (65 and over) is 3.6% and will remain at this level until 2031.⁵
- There has been an increase of 94 per cent more patients with higher needs than in 2008/2009.⁶
- Since 2008/2009, the number of patient referrals from hospital has increased 13 per cent.⁷

Compensation

With the exception of PSWs, service provider organizations have operated for six years without increases in their bill rates. Providers have nevertheless had to manage new reporting and administrative requirements; support increased travel costs; and fulfill technology expectations in order to communicate with partners.

With low margins in the industry⁸ frontline staff have shouldered much of the cost of this restraint policy and the gap in wage between other sectors has widened.

There has been no compensation to address the impact of consumer price index, which has averaged 1.5% over the restraint period.

Providers will face the addition cost of the Ontario Retirement Pension Plan in 2017.

Family Caregivers

Family caregivers are key to the success of Ontario's home care program. Family and friends assume an estimated 80% of care that is provided to the ill, frail and dying at home.⁹

Approximately 8 million Ontarians provide care to a chronically ill, disabled or aging family member.¹⁰

⁵ Ministry of Finance, Ontario Population Projections, <http://www.fin.gov.on.ca/en/economy/demographics/projections/>

⁶ OACCAC data - <http://oaccac.com/Quality/Pages/Fast-Facts.aspx>

⁷ OACCAC data - <http://oaccac.com/Quality/Pages/Fast-Facts.aspx>

⁸ Accenture

⁹ Fast, J., Niehaus, L., Eales, J., & Keating, N. (2002a). A profile of Canadian chronic care providers, submitted to Human Resources & Development Canada

¹⁰ Extrapolation of Canada wide data from Marie Sinha (<http://www.statcan.gc.ca/pub/89-652-x/89-652-x2013001-eng.htm#a1>) using Ministry of Finance, Ontario Population Projections,

150,000 Ontarians purchase an additional 20 million visits/hours of home care services annually in order to remain at home.¹¹

It would cost more than an additional \$9.7B per year in Ontario to reimburse families and friends as employees for their caregiving service.¹² Fortunately most families would not expect compensation for the care they provide, but when they become overburdened and have no relief, they will turn to the emergency room.

Recommendations

Home Care Ontario makes two recommendations.

1. Increase the funding for home care to 6% of total budget over two years.

Home care offers the greatest return on investment.

A 10% increase in PSW hours (almost 3 million hours) at current rates costs \$85.5M

A 10% increase in nursing hours (830,000 visits) costs \$65.2M

A 10% increase in therapy hours (180,000 visits) costs \$21.6M

Using projections from Ontario's 2015 Budget¹³, of a total healthcare budget of \$51.7B, the investment in home care should increase to \$3.1B – an increase of \$600M over two years.

This level of commitment is essential to truly shift care to the community. It will enable:

- First dollar coverage for palliative care at home.
- Improved support for patient populations with high needs, such as renal patients who would benefit from home dialysis.
- Proactive support of the elderly so they can remain at home longer without an acute event.
- Improved compensation of staff so as to narrow the gap across the healthcare system.
- Increased respite to support families who are struggling to cope.

<http://www.fin.gov.on.ca/en/economy/demographics/projections/> In 2013: total population minus those under 15 years of age was 29.1 million. 28% is 8.1 million.

¹¹ Ontario Home Care Association, (2013) Private Home Care – A Vital Component of the Health Care System in Ontario. Retrieved from <http://www.homecareontario.ca/docs/default-source/position-papers/position-papers/private-home-care---a-vital-component---oct-2013e81a79fdc99c68708e32ff0000f8dac8.pdf?sfvrsn=10>

¹² Extrapolation from Hollander, Chappelle study 2009

¹³ Ontario Budget 2015, Table 2.19, page 281

Funding will come in part from efficiencies realized by restructuring and integrating CCACs with LHINs; and from shifting the funding to support the movement of Ontarians away from hospital.

2. Establish an educational campaign and adopt strategies to support the family contribution to care.

Encourage the private purchase of care from reputable home care service provider organizations¹⁴, such as those registered with Home Care Ontario.

Introduce savings vehicles / tax credits for families who purchase care from approved home care service provider organizations.

Introduce / support the exemption of all home care services from GST/HST.

Conclusion

Our ask is bold. However we believe that the government has paved the way for the next courageous step – to truly tip the funding paradigm to support care at home.

This type of investment will help to ensure the commitment to the health system envisioned for Ontario.



¹⁴Defined as organizations that, for example, are established with a Canada Revenue Agency business number, have WSIB and liability protection for staff, conduct thorough reference checks, and supervise their staff.