

**Ontario Home Care Association
Submission to the Minister of Finance
2011 Pre-Budget Consultation
December 3, 2010**



In 2011 the first boomer will turn 65 heralding a new emphasis on health care in Ontario. The Ontario government has been preparing for this demographic shift by undertaking measures to transform the province's health care system to one that is proactive and driven to support individuals to live independently and to self-manage their conditions as well as possible.

The intent of the health system transformation is to ensure the right service at the right time and in the right location, the premise being that Ontarians want to remain independent at home for as long as possible and avoid unnecessary use of acute care, the most expensive part of the health care system. Key to the transformation is understanding the needs of individuals and tipping the balance of care provision in favour of the community so that Ontarians of all ages who are 'on the fringe' of admission to a facility, or who turn to acute care for primary care support, can receive care and stay at home with confidence.

The government of Ontario intends to make prudent investments through its five-point economic plan and is particularly interested in what more can be done to create jobs and improve services for Ontarians while eliminating the deficit. Moving out of deficit requires tough measures for the government at a time when the need for our social programs is increasing. The OHCA suggests that home care can be one of the means to balancing the budget. A recent Ontario study showed that assisted living is 1.2 -1.8 times more expensive and long-term care is 2.2 -3.4 times more expensive than supporting clients at home with home and community care services.ⁱ

Ontario's Five-Point Economic Plan

1. Investing in skills and knowledge
2. Investing in infrastructure
3. Lowering business costs
4. Strengthening innovation
5. Building key partnerships

As one of the least expensive forms of healthcare, the return on investment in home care is significant. Home care relies on family and friends to play active roles during illness and recuperation. The service provided by family is an important system resource contribution. Furthermore, maintaining individuals at home means that they still contribute to the economic and social health of their communities through the payment of taxes and expenditures for goods and services.

By investing in home care today, we are ensuring a hospital system for those who need it.

The per capita expenditures by the Ontario government on 'other health expenditures' (which includes home care) in 2010 is lower than the Canadian average.ⁱⁱ The Ontario Home Care Association (OHCA) calls for continued investment in home and community care in order to sustain the incremental improvements and achieve the transformation that has been launched. OHCA offers the following recommendations to sustain the momentum toward a system that places high priority on care at home and in the community, and demonstrates recognition for the important contributions of family caregivers.

Investing in skills and knowledge

1. **Commit to investment in home and community care** that assures health care providers of successful and meaningful careers in this emerging sector that is vital to ensuring that Ontarians of all ages can confidently choose to remain at home safely with adequate publicly funded health care support.

Lowering business costs

2. **Exempt Ontarians from additional taxes related to privately purchased care** thereby acknowledging the importance of family caregivers who choose to supplement Ontario's publicly funded provincial home care program by privately purchasing home care services in order to keep their loved ones at home. In so doing Ontarians are controlling public expenditure should be supported through tax credits or the exemption of HST.

Strengthening innovation

3. Expand on the investment to the Home Care Research Chair by **establishing a Centre for Quality and Research in Home Care** in order to understand the best mix of services, programs and settings to achieve the greatest outcomes for individuals and the best return on home care investment for the public.
4. Invest in home care service provision through **innovative technology** for use by providers. Establish a timeline and fund the implementation of innovative technology applications to support care delivery at home recognizing that there are solutions to increase staff efficiency and effectiveness and solutions to enhance capacity through remote monitoring.

Building key partnerships

5. Introduce incentives that **promote continued integration efforts** between system health partners to establish a broader mandate for home care within primary care and illness prevention.

Investing in infrastructure

6. **Institute multi- year funding for CCACs** to establish consistent and continuous support for home care services vital to health system transformation (e.g. acute care relief and chronic disease management for people of all ages, aging at home and palliative care). The current 12 month budget cycle during which the CCACs respond to unexpected demand surges (e.g. H1N1) often leads to withdrawal of care for people during the last quarter of the fiscal year and upsets the equilibrium of the home care sector.
7. **Implement health allocation based funding models** where funding follows the individual across the continuum of care (e.g. HBAM) and pilot financial analysis of the continuum of health care in order to establish guidelines for the appropriate balance of public funds to enable Ontarians of all ages to live and age successfully in their own homes and communities.

The Current State

The aging population and attendant chronic diseases has prompted the Ontario government to adopt a new approach to health care – one that is proactive instead of reactive; that is collaborative and client centred. By continuing to support the transformation agenda and transitioning the way that health care is funded and delivered, more Ontarians will be able to realize their goal of remaining at home for as long as possible. Tipping the balance of care provision in favour of the community will serve to contain more expensive health care options.

Avoiding premature institutionalization of the elderly ensures that the institutional bed is reserved for those with the greatest need and saves precious health system resources. Home and community care is a cost-effective infrastructure investment both in the short and long term, particularly when it is focused locally on specific populations at risk, such as our frail and vulnerable seniors with loving families who want to care for them at home. Research supports that even small amounts of home care will make a difference in people’s lives. To achieve the goals of the health system, transformative changes must be made to realize the role that a strong and robust home care service plays in maintaining balance in our fragile system of health care.

Evidence indicates that people want to remain at home for as long as possible, and if given a choice would prefer early discharge from hospital followed by provision of home care.

Ontario’s provincial home care program is vital to supporting the publicly insured system by enabling early discharge of patients from hospitals and providing an alternative to long-term care homes. For the overwhelming majority who prefer to remain in their community, home care is both cost effective and care effective.ⁱⁱⁱ In 2009, the publicly funded home care service provided approximately 28.7 million hours of service to 603,535 individuals (4.6% of the total population in Ontario).^{iv}

Ontario’s health care system is straining right now to meet the new and emerging health care needs of its citizens as the changing demographics will surely dictate. Hospital Emergency Departments

Health system sustainability largely depends on substantial reform of the current delivery system from one that is largely hospital-focussed to one that is significantly more community-based.

are filled with people seeking primary care. Hospital beds are used to care for non-acutely ill people while they wait for beds in long term facilities. The system must change to help these people get more appropriate care through a well resourced and well-coordinated home care system that is integrated with the broader health sector. Home care plays a vital

role in supporting an integrated system. Improved outcomes for clients/patients have been realized through the integration of home care in emergency departments, primary care and palliative care.^v

The Case for Future Investment in Home Care

Because home care relies on family to support care delivery and uses the family's resources to support the basic shelter and nutrition needs, expansion of publicly funded home care is, in part, a transfer of cost from the government to the individual. The publicly funded home care system assumes support and care provision by family and friends. An estimated 80 percent of care provided to the ill, frail and dying at home is assumed by family and friends.^{vi} It has been calculated that it would cost \$25B to replace the contribution of families to the health care system in Canada.^{vii} All things being equal, Ontario with 38.9% of the population, would incur an additional cost of \$9.7B if family and friends were reimbursed as employees. Additional health system savings are realized when the individual is at home assuming responsibility for paying for living costs (eg. heating, hydro, food, laundry).

Keeping Pace

However the rate of investment in home care has not kept pace with the health system increases in general.^{viii} The convergence of the aging population, the efforts to increase home care services and a need to contain health expenditures in part borne by home care programs is creating the potential for 'the perfect storm'. Over the past five years the number of individuals receiving home care has increased at 1.5 times the rate of funding.^{ix} As a result the home care program in Ontario has shifted to delivering a small amount of personal support care and fewer professional interventions to increasing numbers of Ontarians. If this trend continues, society risks an escalation in the numbers of exhausted caregivers and avoidable health care crises among the elderly. Ultimately the cost implications will be great, but more importantly the quality of life for the affected seniors will be unnecessarily compromised.

Almost one in five seniors who used a combination of both formal and informal home care reported unmet needs.

The Evidence

In 2009, home care stakeholders^x undertook a project (*Valuing Home and Community Care (VHCC)*)^{xi} to provide evidence to substantiate the provincial government's stated policy goal and related investment to provide health care closer to home and ensure that Ontarians receive the right care at the right time in the right place. The VHCC project provided evidence of significant net savings to the provincial health system and provided compelling evidence for increasing investment in the sector and for supporting families who care for individuals at home. The VHCC study shows important cost implications to the publicly funded health system. Keeping seniors at home for as long as possible achieves a net savings to the health care system of approximately \$150M for a frail elderly population 75 years and older receiving Maintenance or Long Stay Supportive services from the CCAC and possibly other community support services.^{xii}

Excellent Care for All

Providing quality health care to Ontarians is a fundamental principle on which the government of Ontario bases health care policy development. The recent *Excellent Care for All Bill* is intended to strengthen accountability for quality within health care and to reinforce principles of organizing care around the individual.^{xiii}

The goal is to ensure the right service at the right time and in the right location, the premise being that Ontarians want to remain independent at home for as long as possible and avoid unnecessary use of acute care, the most expensive part of the health care system. Key to the transformation is understanding the needs of individuals and tipping the balance of care provision in favour of the community so that Ontarians of all ages who are ‘on the fringe’ of presentation at, and/or admission to, a facility, or who turn to acute care for primary care support, can receive care and stay at home with confidence.

Home care has a unique position in the health care system serving as a bridge between various health settings supporting individuals of all ages across the full continuum of need. Continued research is required in order to understand the best mix of services, programs and settings to achieve the greatest outcomes for individuals. In Ontario, all sectors are being encouraged to link the best evidence and standards of care to ensure the efficient use of resources and achieve value for the individuals served.^{xiv}

.....Always putting the patient first will drive the quality of our system, lead to better value for the money we spend, and ensure that the excellent healthcare we enjoy today.

Minister Matthews
April 2010

Conclusion

The government of Ontario has the opportunity to create jobs and improve services through strategic investments that demonstrate that it is a *fundamental right of all Ontarians to receive home care*. In so doing, the Ontario government would raise awareness of home care and the related support of family caregivers as a vital to our society.

About the OHCA

The OHCA, *the voice of home care in Ontario*, is a membership association representing providers of quality home care services from across Ontario. OHCA members represent an estimated 25,000 staff collectively serving 300,000 Ontarians per year. OHCA works with families as integral partners in the delivery of home care services and as such estimates that 1.2 million Ontarians are impacted by members. OHCA is dedicated to promoting the growth and development of the home and community health care sector by helping to shape health care policy, supporting members to excel, and being a leading source of information on home and community care. OHCA members are accredited through Accreditation Canada, CARF, and/or registered with the International Standards Association (ISO).

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End Notes

ⁱ VanderBent, S., Kuchta, B. (2010) *Valuing Home and Community Care*, p7

ⁱⁱ OHA (2010) *The Changing Face of Ontario Healthcare – Provincial Government Spending Comparisons*. Based on CIHI 2010 National Health Expenditure Report, Health Finance and Research Unit, Ontario Hospital Association, Slide24 Retrieved from <http://www.oha.com/CurrentIssues/Documents/The%20Changing%20Face%20of%20Ontario%20Health%20Care%20Provincial%20Govt%20Spending%20Comparisons%20FINAL%20Nov%2016%202010.pdf>

ⁱⁱⁱ VHCC VanderBent, S., Kuchta, B. (2010) *Valuing Home and Community Care*, p3

^{iv} Retrieved from MOHLTC Health Data Branch

^v Canadian Home Care Association - High Impact Practices. Retrieved from <http://www.cdnhomecare.ca/content.php?doc=46>

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

^{vii} Hollander, M., Liu, G., Chappelle, N. (2009) *Who Cares and How Much? The imputed economic contribution to the Canadian healthcare system of middle-aged and older unpaid caregivers providing care to the elderly*. *Healthcare Quarterly*, Vol 12 No 2

^{viii} Based on home care expenditures retrieved from MOHTC Health Data Branch and expenditures quoted in *Ideas and Opportunities for Bending the Health Care Cost Curve Advice for the Government of Ontario* (April 2010).

^{ix} Based on analysis from MOHLTC Health Data Branch

^x The home care stakeholders included the members of CPAC (composed of the Ontario Association of Community Care Access Centres, the Alliance of Professional Associations for Community-based Therapy Services, the Ontario Community Support Association, the Ontario Home Care Association, the Ontario Association of Children's Rehabilitation Services, and the Community Healthcare Providers' Network) and the Change Foundation.

^{xi} The Valuing Home and Community Care project was conducted in 2009 by the Boston Consulting Group who were retained by the home and community care sector in Ontario, in partnership with the Change Foundation to conduct an economic valuation in order to demonstrate both the net and real value (or savings) created by the home and community care system in Ontario.

^{xii} VanderBent, S., Kuchta, B. (2010) *Valuing Home and Community Care*, p6

^{xiii} *The Excellent Care for All Act*, 2010 was introduced May 3, 2010. http://www.health.gov.on.ca/en/legislation/excellent_care/

^{xiv} Brown, A. (2010). Presentation Breakfasts of the Chiefs, 2010