



REPORT TO: Co-Chairs and Members of
Public Health and Social Services Committee

SUBJECT: **Service Accountability Agreement
For Seniors Community Programs 2009 - 2011**

RECOMMENDATION

That this Committee recommends to Regional Council that:

1. this report be received for information.
2. pursuant to the Region's document execution bylaw, staff be authorized to execute the Service Accountability Agreement with the Hamilton Niagara Haldimand Brant (HNHB) Local Health Integrated Network (LHIN) in order to receive the identified funding for 2009 to 2011 for community support services delivered by Seniors Services.

EXECUTIVE SUMMARY

- The Local Health Integration Network (LHIN) requires that each of its funded health service providers sign an accountability agreement with the LHIN by March 31, 2009. A Service Accountability Agreement between the LHIN and the Region replaces accountability agreements previously signed with the Ministry of Health and Long-Term Care (MOHLTC)
- The LHIN funds the Niagara Region as a health service provider of a number of community support services. Niagara Region's Seniors Services, through its Seniors Community Programs, manages and delivers a number of LHIN-funded programs (i.e., totalling approximately \$5 million annually), such as the Adult Day Service and the Supportive Housing Programs.
- The Service Accountability Agreement is comprised of a standard template for all health service providers across the province and variable appended schedules which provide information specific to the individual service providers.

- Information in the Accountability Agreement pertaining to Seniors Community Programs replicates the information submitted to the LHIN in the Community Annual Planning Submission (approved by Committee and Council: COM 68-2008, December 9, 2008.
- The community support services, managed and delivered by Seniors Community Programs, are funded by the LHIN and by client fees. In recent years, Seniors Services has been successful in eliminating any contribution from the Region in the operation of these programs.

FINANCIAL IMPLICATIONS

The Service Accountability Agreement for Seniors Community Programs and its community support services includes \$5,215,271 for 2009/2010 and \$5,371,730 for 2010/2011.

The Agreement also indicates a contribution from the Region of \$283,143 and \$361,921 in each of the two applicable years based on the assumption of LHIN base funding increases of 1.575% and a projected 3% inflation rate in each of the two years; however, the LHIN is allocating a total planning amount increase of 2.25% for which Seniors Community Programs can apply. Also, as with the experience of recent years, in-year expenditure adjustments by staff have resulted in a zero contribution from the Region.

Staff is expecting to continue this practice of in-year expenditure adjustments to continue operating these programs with no contribution from the Region. In addition there is the likelihood of increased revenue from expanded day programs that will assist in maintaining a zero contribution from the Region.

PURPOSE

This report summarizes the changes in expectations of the LHIN related to service accountability agreements and accountability agreements for health service providers delivering community support services funded by the LHIN.

In addition, the report summarizes the services delivered by Seniors Community Programs.

BACKGROUND

Niagara Region's Seniors Services, through its Seniors Community Programs, has for many years managed and delivered a number of community support services such as adult day programs and respite programs to older adults living in the community and their family caregivers. These services are intended to support older adults living in the community, minimizing or avoiding their use of hospital services and/or long-term care homes.

These support services were previously funded by the Ministry of Health and Long-Term Care (MOHLTC). Funding responsibility has been transferred to the LHINs. The Ministry created 14 LHINs across the province, including the HNHB LHIN which has assumed funding and oversight responsibility for Niagara Region's community support services. A major initiative of all LHINs has been to solicit proposals for funding for services that would reduce inappropriate use of emergency departments and hospital beds, as well as long-term care beds.

In the past two years, Seniors Services has been successful in enhancing existing services and expanding its supportive housing services through additional funding from the LHIN; for example, the approved budget for 2007/2008 of \$3,978,994 increased to \$5,063,370 for 2008/2009. No contribution from the Region was required for the 2007/2008 fiscal year and no contribution is expected from the Region for 2008/2009.

REPORT

Service Accountability Agreement – Process and Content

The LHINs across the province have developed a multi-sectoral accountability agreement template that will form the basis of signed agreements with all health service providers within the following sectors: community health centres, community care access centres, community support services, and mental health and addiction services. The agreements comprise a fixed standard section that is common to all service providers and a number of variable sections that become schedules appended to the agreement. The schedules include:

- A description of the services provided with the funding
- The operating plan/budget
- Required reporting
- Applicable policies and standards
- Performance obligations
- Short term funding details, if applicable

The LHINs engaged numerous provider stakeholder groups in discussions leading to the final template. Provider organizations had expressed concerns over numerous issues, including the termination process, dispute resolution process and subcontracting provisions. The applicable provider associations concluded that providers should sign the agreements with the understanding that the LHINs remain committed to ongoing dialogue on accountability agreements and on managing this transformation within the health care system.

The complete document is available for review by Councillors from the office of the Director Seniors Services, prior to approval. In addition, the agreement requires that the provider post a copy of the finalized copy of its service agreement in a conspicuous public place at its operating sites and on its web site for purposes of public accountability and transparency.

Other features of this new accountability agreement include:

- A two-year term effective April 1, 2009 to March 31, 2011
- The provider's commitment to community engagement
- The responsibility of the health service provider's board for ensuring the agreement's obligations are met
- Reference to performance conditions and performance indicators
- Acknowledgement of LHIN funding in the provider's publications, including brochures, web site, advertisements, etc.

Agreement between Niagara Region and the HNHB LHIN

Following approval of the Community Annual Planning Submission by Regional Council (COM 68-2008, December 9, 2008), Seniors Services staff forwarded the submission and met with LHIN officials on February 12, 2009, to review the details of the Accountability Agreement.

The accountability agreement covers the following community support services delivered by Seniors Community Programs:

- Adult Day Services
- Assisted Living (i.e., Supportive Housing)
- Respite
- Overnight Stay
- Caregiver Support
- Client Intervention and Support

Specifically, financial information in the planning submission can be summarized as follows:

	Approved Budget 2008/2009	Budget Request 2009/2020	Budget Target 2010/2011
Revenue from the LHIN, Client fees and other sources	5,063,370	5,215,271	5,371,730

Expenses, which include employee compensation, service and equipment costs and client transportation costs, equal requested revenues with no net surplus or deficit projected.

The accountability agreement includes reference to performance conditions and performance indicators that relate to the following dimensions of performance:

- Financial/Fiscal Health
- Organizational Capacity
- High Quality Health Services
- Client Perspective
- Systems Perspective
- Sector Specific Performance Indicators

Three performance indicators are developed at this time, with the remaining twenty indicators under development.

Underlying Assumptions: Funding and Strategy

Assumptions used in the preparation of this plan include:

- A base allocation with a 1.575% increase from the LHIN for each year of the submission.
- Projected inflationary cost increases of 3% for each year.
- Client revenue based on stable occupancy performance in applicable programs.

The following variables will be addressed by staff to avoid a contribution by the Region:

- The LHIN has indicated the availability of 2.25% increases in each year of the submission period of which 1.575% will be allocated with the remaining 0.675% retained by the LHIN for redistribution in-year within the community support services sector. Staff will make additional submissions for additional funds, as required, to meet required expenditures.
- Revenues from client fees may be adjusted, as required, to increase revenues.
- In-year expenditures may be adjusted, as required, to reduce costs and meet budget.

Based on the success in recent years in avoiding the Region's contribution and of balancing less-than-inflationary increases from the MOHLTC and the LHIN with the actual higher increases in operating costs, staff are proposing a continuation of this strategy for the period of two years covered in the planning submission. The goal remains the cost-effective management and delivery of much-needed services to older adults and their families in the community and a reduction in the inappropriate use of emergency departments, hospital beds and long-term care beds.

Submitted by:

Approved by:

Brian Hutchings
Commissioner, Community Services

Mike Trojan
Chief Administrative Officer

This report was prepared by Dominic Ventresca, Director, Seniors Services.