



Pre-Budget Submission 2024

Stabilizing and Transforming Home and
Community Care

VON Canada
January 22, 2024

Recommendations

As the population ages, Ontario seniors are requiring a greater and more complex level of care support delivered by the home and community care sector. Currently, system capacity for acute and long-term care is struggling to keep pace, partially because the creation of infrastructure has a long lead time and requires significant financial resources. As technologies and care pathways evolve, investing in home and community care is a pragmatic way to enhance system capacity and is both flexible and more cost effective. In addition, it honours the overwhelming preference of Ontario's seniors to remain in their homes as they age.

VON continues to recommend both short and long-term strategies to stabilize and enhance home and community care in Ontario, and address the significant, growing capacity requirements for the sector. We believe new models of care that support both clinical and social service requirements for frail elderly will change significantly over the next 15-20 years as care models evolve, and clients are empowered and supported to age in place with the support of appropriately integrated technology care pathways to enhance client outcomes, quality of care, practitioner capacity and client experience. It is critical Ontario moves more quickly to capitalize on existing proven models to transform programs, services, and funding models to best relieve pressures across the system. This will help meet the growing home and community care demand and allow Ontario seniors to age in place for as long as possible.

1. **Invest \$1.25B over the next three years in the home care sector to reduce sector wage disparity, meet ongoing inflationary and operational pressures, and support innovative and scalable models of care.**

We recommend \$600M of the \$1.25B be directed to wage compensation funding over the next three years to reduce both the sector wage disparity and the challenges this disparity creates for recruitment and retention.

2. **Within the 2024 budget year, allocate \$533M to the home and community care sector as per the [Ontario Community Support Association's recommended allocations](#) (see pg. 6 for details).**

3. **Scale and spread existing innovative models by eliminating policy and funding barriers and "red tape."**

We strongly recommend the balance of the funds be invested in expansion of existing, proven models of care (such as hospital-to-home and client-directed independent living models) and other wrap-around care programs that include both clinical and non-clinical services.

In the longer term:

Include funding to support digital innovation and the technology interoperability of platforms such as VON Connect within the home care sector. The home and community care sector is decades behind the rest of the system in its lack of digital tools and connections. The Province must invest in digital modernization of the home care sector to improve patient care and support healthcare transformation and integration.

As the system stabilizes, build capacity and invest in home and community care towards a target of at least 10% of total health spending to reduce dependence on hospitals and LTC. This will position Ontario as a future-forward leader, ensuring the success of integrated care delivery systems to drive population health and meet the needs and preferences of an aging population in a more affordable manner.

System Context

The demand for care at home is growing and system capacity has not kept pace.

Approximately 730,000 Ontarians are currently receiving home and community care. While the complexity of their care requirements has increased significantly over the past five years¹, the associated funding and supports have not. By the Province's own estimates, we will need to accommodate an additional 23,000 clients annually just to keep 76% of people aged 75 years or older at home and in the community.²

Deloitte (2021) projects a 53% increase in home care demand from 2019 to 2031 in Canada, with approximately 1.2 million Ontarians needing home and community care by 2031.³ Compounding these sector challenges are waitlists for long-term care, which are expected to grow to 48,000 individuals by 2029⁴. Despite current investments in long-term care, there will not be enough beds to meet this demand.

Many frail seniors are admitted prematurely to long-term care. We know that many of these seniors could be supported at home with a combination of appropriate clinical and non-clinical services. Currently 1 in 11 alternative level of care (ALC) hospital patients are waiting for home and community care beds⁵ and 1 in 13 newly institutionalized patients in Ontario could have been cared for at home.⁶

¹ How to Support Our Frail Elderly – Suggested Action Plan November 2023

² Bridging the Gap: Strengthening Ontario's Home and Community Services 2024

³ Deloitte. (2021). Canada's elder care crisis: Addressing the doubling demand. In: Canadian Medical Association (CMA). <https://www.cma.ca/canadas-elder-care-crisis-addressing-doubling-demand>

⁴ How to Support Our Frail Elderly – Suggested Action Plan November 2023

⁵ Canadian Institute for Health Information (CIHI). (2019). Your Health System: Hospital Stay Extended Until Home Care Services or Supports Ready. Ottawa, ON: CIHI Retrieved from <https://yourhealthsystem.cihi.ca/hsp/inbrief#!/indicators/079/hospital-stay-extended-until-home-care-services-or-supports-ready;/mapC1:mapLevel2:overview/>

⁶ Canadian Institute for Health Information (CIHI). (2020a). New Long-Term Care Residents Who Potentially Could Have Been Cared for at Home. CIHI Retrieved from [https://yourhealthsystem.cihi.ca/hsp/inbrief?lang=en&_ga=2.222754968.283270584.1637594946-582853898.1636029505#!/indicators/082/new-long-term-care-residents-who-potentially-could-have-been-cared-for-at-home;/mapC1:mapLevel2;provinceC5001;trend\(\);/](https://yourhealthsystem.cihi.ca/hsp/inbrief?lang=en&_ga=2.222754968.283270584.1637594946-582853898.1636029505#!/indicators/082/new-long-term-care-residents-who-potentially-could-have-been-cared-for-at-home;/mapC1:mapLevel2;provinceC5001;trend();/)

The Ontario Hospital Association’s 2023-27 strategic plan addresses the importance of investing in non-institutional options:

“Only by improving access to primary care, home and community care, and mental health supports, among others — as well as truly addressing the social determinants of health — can we reduce over-reliance on institutionalization and give patients the care they deserve”.⁷

Despite consensus from healthcare leaders across all sectors and the significant savings associated with **aging in place**, public investments in home and community care are relatively low. Even with a projected growth in spending of 5.1% until 2027-29, the Financial Accountability Office predicts “a modest decline in the number of nursing and personal support hours per Ontarian aged 65 and over, from 20.6 hours in 2019-20 to 19.4 hours in 2025-26.”⁸

The infographic consists of a dark blue box on the left and a white box on the right, both with a dark blue border. The dark blue box contains the text 'Programs need to expand a minimum of: 25% to meet community need' with four yellow arrows pointing outwards from the corners. The white box contains the text 'A survey of OCSA members found that across 16 home and community care service categories, most providers said their programs would need to expand a minimum of 25% to meet community need.'

Further Supporting Our Frail Elderly

Frail seniors want to stay in their homes and/or with family; 91% of seniors would prefer to stay at home if they were on a waitlist for a long-term care facility and additional supports could be provided to keep them at home or living with a family member.⁹ However, increasing client demand, caregiver burnout, increasing clinical complexity and lack of funding is having a profound impact on the entire sector.

⁷ <https://www.oha.com/strategicplan/our-system#performing>

⁸ Bridging the Gap: Strengthening Ontario’s Home and Community Services 2024

⁹ How to Support Our Frail Elderly – Suggested Action Plan November 2023

According to the Ontario Long Term Care Association, almost 40,000 people are waiting for long-term care in the province and waitlists have almost doubled in the last 10 years. A cross-sectoral report entitled [How to Support Our Frail Elderly – Suggested Action Plan](#), suggests nearly half of all long-stay home care clients have “high” or “very high” care needs. Family and other loved ones taking care of older adults say they are burning out. With the current service levels, 63% of caregivers say they reached their breaking point last year but had no choice but to keep going¹⁰. Between 2003 and 2018 the proportion of home and community support service clients who are at “high risk” or “very high risk” for an adverse event almost doubled.¹¹



The How to Support Our Frail Elderly report provides a framework for action and was created by caregivers, acute care, home and community care, long-term care, primary care and mental health organizations, including the Ontario Community Support Association, of which VON is a member.

Wage disparity must be addressed

As client complexity and volumes increase, the persistent intersectoral wage gap has resulted in significant workforce instability. While VON is grateful for this year’s wage increases, they are still a considerable distance from the 11% increase awarded to hospital nurses and the 8% increase for emergency medical services¹². If the sector wage gaps continue to widen for home and community care nurses and personal support workers (PSWs), it will exacerbate our already serious health human resources situation. New and innovative models of care that will help meet growing demand require an adequate number of staff to ensure their success.

¹⁰ Health Quality Ontario, Measuring Up 2018 <http://www.hqontario.ca/Measuring-Up>

¹¹ Health Quality Ontario, Measuring Up 2018 <http://www.hqontario.ca/Measuring-Up>

¹² Bridging the Gap: Strengthening Ontario’s Home and Community Services 2024

Funding for new models necessitates an adequate number of qualified staff to ensure such models and programs are successful. Antiquated funding models and sector wage inequities make it particularly challenging to recruit and retain staff in the home and community care sector. As per the Ministry of Health-sponsored Summary of Home and Community Care Workforce Survey, the average wages for home care staff are as follows:

Position	Average wage paid in home care (HHR survey)
PSW	\$22.21/hour
RPN	\$27.38/hour
RN	\$36.62/hour

The wage disparity between healthcare sectors has become a critical issue. As reported by the Ontario Community Support Association (OCSA), on average, hospital nurses earn \$10 more per hour than those working in home and community care. Personal support workers (PSWs) in LTC earn \$4 more per hour than PSWs working in the community. The lack of wage parity across sectors is driving significant vacancy rates and staff turnover rates across the sector, at 20% and 25% respectively.



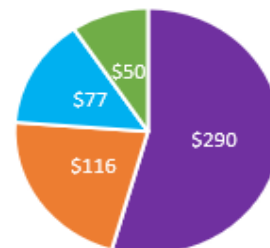
A longitudinal study done by Katherine Zagrodney et al (2023) comparing PSW positions in home care, hospitals and LTC concluded that home care PSWs were “comparatively disadvantaged” when it comes to salaries and other job benefits and that, “The relative attractiveness of [home care] sector jobs will become more critical as the rise in [home care] demand is projected to continue.”¹³ Wage gaps for front-line home care workers have only been exacerbated by recent hospital and LTC union arbitration agreements that have provided both new and retroactive pay increases.

¹³ Zagrodney, K., Deber, R., Saks, M., & Laporte, A. (2023). The Disadvantaged Home Care Personal Support Worker: Differences in Job Characteristics, Unionization, Pensions, Participation, and Wages by Care Sector in Canada. *Journal of Applied Gerontology*, 42(4), 758-767. <https://doi.org/10.1177/07334648221146260>

Suggested Allocation of Requested Funds

VON encourages the Ministry to invest in the elimination of funding barriers to wrap-around care models that best support frail seniors aging in place.

Recommended allocation of \$533 investment in 2024, in millions



Bridging the Gap: Strengthening Ontario's Home and Community Services 2024

Invest **\$290 million** to increase service providers' operational budgets by 3% and service volumes by 3% this year to meet growing community need and to build a comprehensive basket of home and community care services in each community across the province.

Invest up to **\$77 million** for retroactive pay increases to prevent wage disparities from worsening as a result of Bill 124 arbitration awards.

Invest **\$116 million** in increases in 2024 to keep pace with the increases in other sectors and start closing the gap between sectors.

Address the previous shortfall in the province's PSW wage enhancement funding by applying the permanent \$3/hour wage increase to all hours of work, not just direct care. This would cost an estimated **\$50 million**.

Bridging the Gap: Strengthening Ontario's Home and Community Services 2024

We must focus on empowering individuals to manage their own care, on scaling and spreading evidence-informed population health models that are working well in both Ontario and other jurisdictions and on developing innovative local models. Only by being both pragmatic and bold in our focus and our choices can we eliminate the barriers to transformation of a system in crisis.

Conclusion

The current institutional-focused model of senior care in this province requires considerable resources and is in crisis. We urgently need to look at healthcare delivery differently to effectively and affordably meet the care needs created by the significant increase in numbers and acuity of seniors in this province.

Home first strategies are a critical component of a transformed healthcare system. They will rely on developing a stable workforce and increased home and community care capacity and funding to reduce wait lists, and wait times in both long-term care and the home and community care sector.

Community and Home Care Clinics also have a role in supporting the system. In 2022/23 "Lower-acuity patients, specifically less urgent or non-urgent cases, accounted for

approximately 23% (or 1.29 million) of all emergency department visits”¹⁴ in Ontario. Supporting this kind of strategy will also alleviate the backlog of patients in hospital beds. “In total more than 6000 of the 22,000 acute care beds in Ontario are occupied by patients who should be in another more appropriate setting or could have avoided hospital admissions”¹⁵ altogether.

The aforementioned [How to Support Our Frail Elderly – Suggested Action Plan](#) provides recommendations on how to best support Ontario’s frail elderly over the next fifteen to twenty years, including expanding home and community care services, hospital-to-home strategies and community-based affordable housing inclusive of clinical and social support hubs, and prioritizing those with highest need for long-term care. It is becoming increasingly critical to implement the strategies we know can work, to deliver the best and most cost-effective outcomes for our clients and patients, our providers and the system as a whole.

¹⁴ Office of the Auditor General of Ontario - Value-for-Money Audit: Emergency Departments December 2023

¹⁵ Statement on Emergency Department Pressures at Ontario Hospitals – Ontario Hospital Association Jan 17, 2024



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