



Offering Services and Supports to People through Individualized or Direct Funding

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Executive Summary

Ontario Agencies Supporting Individuals with Special Needs (**OASIS**) is a volunteer-run, member-driven organization. Its member agencies serve over 65,000 of Ontario's most vulnerable citizens and employ 25,000 full and part-time staff. Its 185 member agencies currently provide more than 85% of all developmental services funded by the Ministry of Community and Social Services.

Since 2007 OASIS and the OASIS Business Resource Committee have been working with the Ministry of Community and Social Services and the Provincial Network on recommendations for a funding model for individualized or direct funding. Since 2008, and the introduction of the Services and Supports to Promote the Social Inclusion of Persons with Disabilities Act (SIPDA) some work was completed on a funding mechanism for individualized funding. The only concrete steps taken to a more individualized approach to funding has been through the use of Passport funding. The Ministry of Community and Social Services has indicated that 19,000 individuals were receiving Passport funding as of March 2015, with an increase to 25,000 by 2017/18. While OASIS appreciates the increased funding this has done little to meet the overwhelming needs of individuals on the waitlist for services and developing a long term sustainable funding mechanism to provide choice and stability in the sector.

OASIS believes in the following principles:

People Matter

- Where individuals and families are given the opportunity and freedom to plan and direct their own lives; and
- Where individuals are encouraged and supported to make choices that lead to a full citizenship and meaningful participation in all aspects of community life
- Where funds are portable and if circumstances require a change in support provision or location the dollars may be moved to continue to support the individual
- Where individuals have support dollars allocated to them to meet their changing needs and have the right to choice between managing their own funds or having an agency assist them with their support needs that are adjusted over time to reflect current cost of living adjustments

Agencies Matter

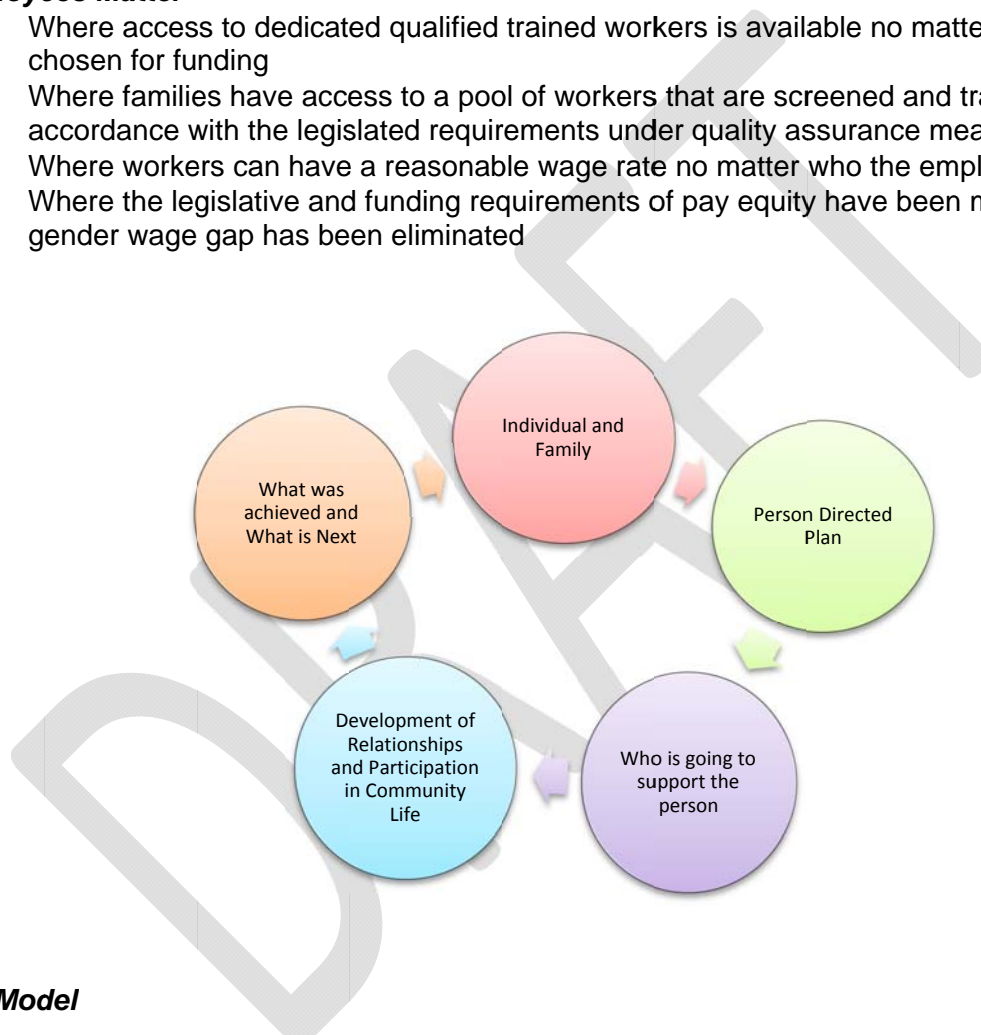
- Where OASIS member agencies provide vital support to families in need, ensuring the provision of timely and necessary resources to help individuals succeed now, and in the future
- Where strong sustainable agencies provide the backbone for transformation of the developmental services sector, and are the providers of the majority of supports and services that minimize risk and ensure full community engagement of Ontario's most vulnerable citizens
- Where agencies are funded for their infrastructure costs separate and apart from the provision of direct service costs

Collaboration Matters

- Where the government, individuals, families and agencies are partners in planning and providing the necessary support and services needed and desired by individuals
- Where flexibility in managing existing resources and new allocations will lead to innovations and creative service delivery
- Where the individual, their family/support network and support agencies are accountable for spending public funds in accordance with a plan that includes quality and life enhancing outcomes that are measured and adapted as needed

Employees Matter

- Where access to dedicated qualified trained workers is available no matter the option chosen for funding
- Where families have access to a pool of workers that are screened and trained in accordance with the legislated requirements under quality assurance measures
- Where workers can have a reasonable wage rate no matter who the employer is
- Where the legislative and funding requirements of pay equity have been met and the gender wage gap has been eliminated



The Model

Over the past few years we have been able to experience Direct Funding through Passport Services. While agencies have been able to build capacity to support individuals with Passport funding this has often been at the expense of needed support hours for the individual and their family if they have chosen the agency based service model. Agencies must adhere to Quality Assurance Measures as well as ensure that staff are supervised and performance monitored with outcomes achieved for people receiving services. As the number of individuals supported under the Passport Funding model increases these costs increase and agencies are forced to bill these families for these services. This has a negative impact on the level of support provided to an individual. Individuals and their families should have the assurance that the funds they receive go to Direct Service Costs and that infrastructure costs that an agency must

incur are funded independent of the direct support provided to the individual. The model utilized to determine the funding provided must be equitable, easily understood and transparent.

As identified in the Provincial Network Funding Working Group 2009 report that OASIS and its Business Resource Committee were major contributors to the following key features of direct/individualized funding are needed:

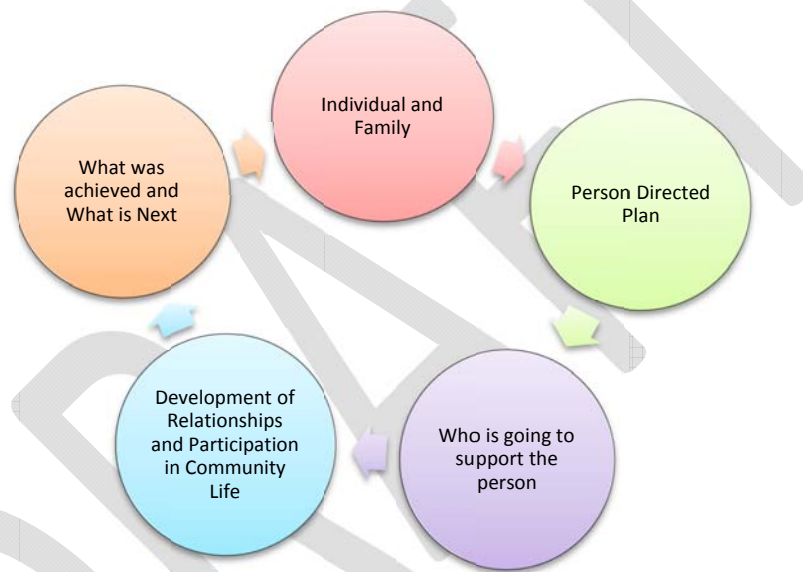
- Funding needs to be tied to the individual and not to the service provider for direct service costs regardless of whether the individual and their support network have chosen direct funding or agency based services.
- Wherever possible, the various elements of any provincial funding formula ought to be equitable, transparent, and applied consistently whether those funds are being allocated direct to the family/individuals or to agencies.
- Funding must flow on a monthly basis in advance so that an individual's participation is not impeded by a family's ability to afford to advance the funds prior to repayment by the Passport Approval Agency.

The funding allocation formula should be based on a rate that may be hourly or on a per diem basis related to the services provided including the following:

Funding	Agency Based Services	Direct Funding to Individual/Family
Direct Service Costs	Yes	Yes
Administration Fee	Yes	Yes
Adjustments		
• Intensity of support needs identified through Support Intensity Scale (SIS)	Yes	Yes
• Regional Variances	Yes	Yes
• Other	Yes	Yes
Program Administration	Yes	No
Infrastructure and Overhead	Yes	No
Risk and Contingency	Yes	No
Capital Replacement	Yes	No

People Matter

Individuals and their families must be the focal point of any service and support that is provided to the individual. Individuals and families must be given the opportunity and freedom to plan and direct their own lives, identifying the type of support they would like, the location the support will be offered in, and who will provide the support. Individuals must be encouraged and supported to make choices that lead to full citizenship and meaningful participation in all aspects of community life. The key to providing services and supports that are individualized and enable meaningful participation is a person directed plan. This plan must outline what is important for and to the individual, how they would like to be involved in their community, what support is needed to enable full participation and establishing relationships within the community and who they want to support them.



Planning is not a single event and must continue to evolve as the individual tries new opportunities and explores their vision and goals toward active participation in community life. The Ministry must establish guidelines or mechanisms to ensure that the funding is used to achieve the goals identified. Performance measurement must indicate if outcomes were achieved and if not why not and the establishment of new outcomes once the original goals have been met.

Where individuals have support dollars allocated to them to meet their needs, individuals and their families must have the right to choose between managing their own funds and having an agency assist them with their support needs. There must be a mechanism to monitor and adjust the funding levels as needed. An annual review of the established funding levels needs to occur and be monitored. Statistical information such as the annual cost of living allowance (COLA) and any wage adjustments provided or legislated by the Government of Ontario should be used to assist in determining if funding levels are up to date.

If families choose to be funded directly, they must have access to highly skilled trained workers that are screened to meet the standards required under the quality assurance measures of agencies. Utilizing a job bank similar to Respiteservices.com, agencies can assist families in screening applicants and providing the training required under quality assurance measures particularly in regards to recognizing and reporting abuse. Through a model like RespiteServices.com, families can then look for workers in their area of their province in the same manner that is available to them when utilizing respite services.

If circumstances require a change in support provision or location, all direct or individualized funding must be portable across all regions within the province of Ontario and a mechanism established to ensure the continued support to the individual.

Agencies Matter

Strong, sustainable agencies provide the backbone for transformation of the developmental services sector, and are the providers of the majority of supports and services that minimize risk and ensure full community engagement of Ontario's most vulnerable citizens. Agencies provide vital support to families in need, ensuring the provision of timely and necessary resources to help individuals succeed now and in the future. Funding for agencies' infrastructure and overhead costs must be funded separate and apart from the provision of direct service costs.

Where bricks and mortar and administration costs are bundled with direct service costs, agencies are restricted in their ability to develop creative, innovative solutions and provide the service and support based on the unique needs and desires of the individual. Agencies should have the same flexibility as families to offer services to the individual based on the direct (individualized) funding they receive and not have to deduct a portion for supervision or administrative costs to support the purpose and ensure the adherence to compliance and quality assurance measures. If agencies were assured that their program administration, infrastructure costs and overhead were covered, existing resources could be reallocated to new service delivery models without fear of losing the ability to sustain quality services to the people they continue to support while undergoing a transformation of the service delivery system to a more individualized community inclusive approach.

Funding for **Direct Service Costs** should include salary and wage payments to all staff directly providing service to the individual including their statutory obligations regarding overtime, sick time, vacation pay and statutory holidays. They should also cover the employer's cost of employee benefits including mandatory benefits such as CPP, EI, EHT, WSIB, ORPP, and other negotiated benefit plan costs. Transportation costs to enable an individual to effectively participate within their community should also be considered as a direct service cost. There may be additional program and purchase service costs related to directly supporting the individual that are not currently funded by the Government of Ontario that may also need to be covered.

Program administration, infrastructure and overhead, risk and contingency funds must be funded separately for agencies. The Ministry should determine what the appropriate percentage or benchmark should be for the following areas and fund all agencies in a fair and equitable manner. The current funding model has a wide disparity amongst transfer payment agencies. **Program Administration** includes salary and benefit costs of management or

administrative staff that spend all or a portion of their time dedicated to supervision of direct care staff or front line workers or the delivery of service functions. They may also incur travel and training costs, office expenses and accreditation costs related to service quality and risk management. **Infrastructure and Overhead** includes salary and benefit costs of the Executive Director, other management and administrative staff who spend all or a portion of their time dedicated to administrative functions. This would also include the cost of Human Resources, Finance, Information Systems and Legal staff. Other expenses incurred such as purchased professional services, office expenses, financing costs, and insurance should also be considered as infrastructure. Overhead should include the costs related to owned properties or rental space, utilities, property taxes, and other related costs, building repairs and maintenance and minor capital costs.

The Ministry should also give consideration to developing **Risk and Contingency Funds** for:

- **Emergency hospitalizations** that require additional staffing support;
- **Short term changes in circumstances** that may require alternative placement or additional staffing being put into place;
- **Crisis management** such as a death of family member that requires a local crisis response to be implemented immediately;
- **Transitional funds** to enable agencies to identify and develop creative alternative delivery models that meet the individuals identified needs and desires utilizing the available resources during the vacancy management process while ensuring the needs of all other individuals that may be impacted in the transition to be secure.

Collaboration Matters

Government, individuals, families and agencies are partners in planning and providing the necessary support and services needed and desired by individuals. Where flexibility in managing existing resource and new allocations exist, innovations and creative service delivery occurs.

Individuals, their family/support networks and support agencies must be accountable for spending public funds in accordance with a plan that includes quality and life enhancing outcomes that are measured and adapted as needed. Direct funding allocations must be utilized in a manner that adheres to the regulatory requirements of the Ministry of Community and Social Services under the Services and Supports to Promote the Social Inclusion of Persons with Disabilities Act.

Where individuals have support dollars allocated to them to meet their needs, individuals and their families must have the right to choose between managing their own funds and having an agency assist them with their support needs. The Government of Ontario must develop a mechanism to monitor and adjust the funding levels as needed. An annual review of the established funding levels needs to occur and be monitored. Statistical information such as the annual cost of living allowance (COLA) and any wage adjustments provided or legislated by the Government of Ontario should be used to assist in determining if funding levels are up to date.

Employees Matter

Workers providing direct supports to an individual deserve to have a reasonable wage rate no matter who the employer is. Workers should not fear that their jobs are being eliminated and low paid unqualified workers will become the standard as the sector transitions to a more individualized or direct funding model. Legislative and funding requirements including pay equity and the new Ontario Registered Pension Plan must be met and the gender wage gap eliminated. Labour unrest, and employee retention in the sector is reaching a crisis level as workers move to the more lucrative work in Health and Education sectors.

Access to dedicated qualified trained workers must be available no matter the option chosen for funding. Families need access to a pool of workers that are screened and trained in accordance with the legislated requirements under quality assurance measures. Utilizing a job bank similar to Respiteservices.com, agencies can assist families in screening applicants and providing the training required under quality assurance measures particularly in regards to recognizing and reporting abuse. Through a model like RespiteServices.com, families can then look for workers in their area of their province in the same manner that is available to them when utilizing respite services.

The Ministry must work with transfer payment agencies and families to determine a fair and equitable wage for all workers.

The Model

Over the past few years we have been able to experience Direct Funding through Passport Services. While agencies have been able to build capacity to support individuals with Passport funding this has often been at the expense of needed support hours for the individual and their family if they have chosen the agency based service model. Agencies must adhere to Quality Assurance Measures as well as ensure that staff are supervised and performance monitored with outcomes achieved for people receiving services. As the number of individuals supported under the Passport Funding model increases these costs increase and agencies are forced to bill these families for these services. This is not acceptable and has a negative impact on the level of support provided to an individual. Individuals and their families should have the assurance that the funds they receive go to Direct Service Costs as outlined below and that infrastructure costs that an agency must incur are funded independent of the direct support provided to the individual. The model utilized to determine the funding provided must be equitable, easily understood and transparent.

As identified in the Provincial Network Funding Working Group 2009 report that OASIS and its Business Resource Committee were major contributors to the following key features of direct/individualized funding are needed.

Funding needs to be tied to the individual and not to the service provider for direct service costs regardless of whether the individual and their support network have chosen direct funding or agency based services. Wherever possible, the various elements of any provincial funding formula ought to be equitable, transparent, and applied consistently whether those funds are being allocated direct to the family/individuals or to agencies.

The funding allocation formula should be based on a rate that may be hourly or on a per diem basis related to the services provided including the following:

Funding	Agency Based Services	Direct Funding to Individual/Family
Direct Service Costs	Yes	Yes
Administration Fee	Yes	Yes
Adjustments		
• Intensity of support needs identified through Support Intensity Scale (SIS)	Yes	Yes
• Regional Variances	Yes	Yes
• Other	Yes	Yes
Program Administration	Yes	No
Infrastructure and Overhead	Yes	No
Risk and Contingency	Yes	No
Capital Replacement	Yes	No

Direct Service Costs include:

- **Salary and wage payments** to all staff directly providing service to the individual including statutory holiday, overtime, sick, and vacation pay and replacement staff;
- Employer's cost of **employee benefits** including mandatory benefits such as CPP, EI, EHT, WSIB, ORPP, and other negotiated benefit plan costs;
- **Travel costs** incurred directly supporting the individual;
- **Training costs** including registration expenses, training materials, wages related to providing services to the individual and quality assurance measures and all costs related to the recruitment of direct support staff including advertising;
- **Purchased services** related to the individual being supported for professional services, including consultation costs, interpretation and translation costs, psychological assessment and consultation costs, physical or occupational therapy, speech pathology, audiology, dietetic or play therapy, tutoring costs and other non-medical services provided to the individual that are not provided by Ministry funded specialized services, or any other Ministry; and
- **Program costs** incurred in the delivery of services direct to the individual including program supplies

Administration Fees include:

- Costs incurred in the administration of the funding, such as payroll fees, accounting fees, office expenses, and tracking of service provision and billing

Adjustments include:

- **Intensity of service needs** based on the Application form and Support Intensity Scale (SIS)
- **Regional variances** due to transportation, accommodation/overhead, and wage gaps
 - Regional cost differences need to be gathered using information from various sources including Stats Canada to determine percentage increases/decreases within and between regions;

- **Other variances** due to any involvement in the criminal justice system, and any specific cultural, spiritual, ethnic or religious need (e.g. One on one or gender specific workers, specific foods or requirements related to religious practices); and
- Any other adjustment that may be justified

Program Administration includes:

- **Salary and benefit costs** of management staff who spend all or a portion of their time dedicated to supervision of direct care staff or front line workers or the delivery of service functions;
- Costs of **secretarial functions** that are dedicated to specific services;
- **Travel costs** incurred in providing support to specific services including allowances per km, use of personal automobiles; bus, train, taxi or air travel costs; parking fees; a prorated share of the costs of repairing and maintaining agency leased or owned vehicles; a prorated share of the auto insurance paid by the agency; and other travel related incidental costs including meals, and accommodation
- **Training costs** including training, conference registration expenses, reference books and other training materials related to providing service to the individual and all costs related to the recruitment of program support staff including advertising;
- **Office expenses** including computer costs, telephone, printing/copying, stationary, postage and courier, office equipment rental and repairs, periodicals, journals, and storage of case files;
- **Accreditation costs**; and
- Expenses related to service **quality and risk management** as identified in the Ministry's risk assessment tool, compliance, and Quality Assurance Measures

Infrastructure and Overhead includes:

- **Salary and benefit costs** of the Executive Director and other management staff who spend all or a portion of their time dedicated to administrative functions;
- Costs of **secretarial functions** that are not fully dedicated to specific programs
- Costs of **Human Resources, Finance, Information Systems** and Legal staff;
- **Purchased professional services** that are not related to the individual, including all costs incurred in purchasing of professional services such as audit or bookkeeping, cost to develop or maintain information systems;
- **Office expenses** including computer costs, telephone, printing/copying, stationary, postage and courier, office equipment rental and repairs, periodicals, journals, and storage of case files not directly related to the delivery of service functions;
- **Financing costs** such as payroll services, and bank service charges, and
- **Insurance** including the cost of fire, theft, damage, as well as bonding and liability insurance and insurance related to premises, furnishing and equipment;
- **Costs related to owned properties or rental space** used by agencies in rendering service to the individuals supported including administrative buildings, offices and other facilities;
- **Cost of utilities, property taxes, and other related costs** incurred in the operation of the properties;
- **Building repairs and maintenance costs** including the costs of maintaining fences and driveways/roads on the property and repair of maintenance of furnaces and boilers;
- Janitor supplies, general upkeep, gardening, lawn maintenance, waste disposal and cleaning incurred in the upkeep of the properties;

- **Minor capital costs** incurred in the purchase of and repairs and maintenance of building equipment and fixtures;

Risk and Contingency Funds include:

- **Emergency hospitalizations** that require additional staffing support;
- **Short term changes in circumstances** that may require alternative placement or additional staffing being put into place;
- **Crisis management** such as a death of family member that requires a local crisis response to be implemented immediately;
- **Transitional funds** to enable agencies to identify and develop creative alternative delivery models that meet the individuals identified needs and desires utilizing the available resources during the vacancy management process while ensuring the needs of all other individuals that may be impacted in the transition to be secure.

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