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**MEMORANDUM**

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**TO:** Treasury Board

**FROM:** Robert Wood  
Deputy Minister

**DATE:** January 12, 2012

**RE:** Services for Persons with Disabilities (SPD) Program Budget Pressures and Mitigation Strategies

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On behalf of the Department of Community Services (SPD), we are requesting program approval for both a budget increase of \$11.1 million and mitigation strategy, which will result in a reduction in the budget pressure by \$ 4 million the Services for Persons with Disabilities (SPD).

The budget estimate for SPD for 2011-12 is 255 million. The funding is inadequate to address the minimum needs of people with disabilities in need of supports and services. The SPD is under significant pressure to enhance and improve the continuum of services so that people with disabilities have more timely access to the programs they need. The lack of investment in this program will also mean that 36 individuals who are eligible for and require residential placements and are currently in hospital in Capital District Health Authority (CDHA), will stay in the hospital longer. Others who need services and support will not receive them, and recommendations from the recent Deloitte report on Braemore Home Corporation will not be implemented for the upcoming fiscal year. The Department's commitment, and the public messages convey the promise that investments in SPD will mean that people have more choices, will have more timely access to appropriate services, and the Braemore recommendations will be implemented. All of this will cost money.

#### **CURRENT SITUATION**

Approximately 5200 individuals with disabilities are provided services and support under the mandate of the Services for Persons with Disabilities (SPD) program. There is a province wide waitlist of approximately 802 individuals, of which 273 clients have no support, and 529 clients are requesting/requiring different SPD services. There are issues related to flow and capacity of the SPD program. The SPD residential program is "grid locked." There is little if any ability to provide a responsive residential service, due to the lack of vacancies.

At present, there are 36 individuals with disabilities in hospitals in CDHA. All have been medically ready for discharge for an average of two years. The average age is 40 years. Failure to provide additional funding will mean that people stay in the hospital, when they are medically able to leave, but have no place to go. The cost to maintain people in acute care beds, years beyond their need, is astronomical ( we have an estimated figure of over 28 million, based on information provided for DHW, that averages the cost of an acute care bed per day between 1200.-1500./day. At an average of 1350./day x 2 years = \$29,500,200.00 million) As

well, families are in crisis trying to manage their family member with a disability at home, and adults in need of protection cannot be served.

With an aging population, increased numbers of individuals with disabilities in our province, aging parents and workforce, advocacy pressure to move forward with deinstitutionalisation, the pressures for funding for services and support are growing.

It is recognized that DCS and the Department of Health and Wellness (DHW) jointly serve the needs of individuals with disabilities and individuals who are aging. Between the two departments, approximately \$950 million in funding is provided to deliver services. With the aging population and demand for services, the pressures on both departments will continue to increase.

In October 2010, a cross departmental project team with representatives for the Department of Health and Wellness (DHW), Office of Policy and Priorities (OPP) and DCS has been established, and is developing long term strategy to address Nova Scotia's continuing care and services for persons with disabilities sectors. This joint work will result in a plan that will result in integrated, timely and cost-effective services. Budget requests to implement any recommendations from this committee (following community and sector consultation and government approval) will be submitted for the 2013-14 DCS budget. For the upcoming fiscal year, DCS and DHW will identify budget pressures, which are consistent with the proposed, preliminary plan of the CC/SPD Committee. A presentation to Policy and Planning in November 2011 (need to confirm this), resulted in the endorsement to proceed with Phase 1 of this work.

The DCS budget pressures \$11.1, for the 2012-13 fiscal year will be required to address the most pressing of issues, but are in keeping with the anticipated recommendations of the CC/SPD working group. The mitigation strategies, are considered to be realistic and achievable.

#### **How did the SPD program get where we are ?**

The SPD program provides family support, residential and day programs to individuals with intellectual disabilities, long-term mental illness, or physical disabilities. Community-based options range from support for families caring for a family member with a disability in their own home to residential options providing care 24 hours a day. The program provides support for individuals with disabilities across their life span. The ages of clients of this program range from early years (around 3), to 93. There is no other program of government that provides a service to individual to span their entire life.

In the 1990's and early 2000, consistent with all jurisdictions across Canada, committed to closure of larger facility based settings. This included the Children's Training Centres, Nova Scotia Youth training Centre, for approximately 100 young people with disabilities. In addition, a number of adult residential centres were closed, including 144 beds at Scotia Adult Residential Centre (ARC) and 159 beds at Halifax County Regional Rehabilitation Centre (RRC). While all of the current residents were provided with community living residential programs, there has been no significant increase in residential capacity in our province.

For the past decade, the SPD program has been faced with significant pressures and challenges. The most pressing and long-standing issue is the access to timely and appropriate placement options. Over this period of time, there have been numerous reviews, (Community Supports for Adults, now the SPD program, Review and Re-Design of services), SPD reports on Residential Services and Adult Day Programs in 2008. With these reports there are recommendations. The SPD problems have been compounded by a number of very public issues, including a founded cases of abuse and neglect, resulting in reports and recommendations, such as the Report on Riverview Home Corporation and Braemore Homes Corporation. The financial investment necessary to fully implement all of the changes necessary has been limited. Changing workplace requirements

due to legislative and regulatory changes, and the increase in the number of individuals with complex and challenging care needs who require support to ensure their safety and the safety of those around them, have also impacted the program budget.

In an effort to mitigate the SPD placement pressures, DCS has invested in the “front end” programs. These are the Direct Family Support (DFS) program for families caring for a family member at home, Alternative Family Support (AFS), and the Independent Living Support (ILS) program. Despite the enhancement of these programs, there remain 273 clients on a waitlist with no service, and the 36 individuals who are in hospitals ready for discharge. This highlights the urgency the work that is required to improve and expand the continuum of services.

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**What is the plan?**

Page 3

**KEY ISSUE:**

DCS is requesting additional funding of \$11.1 Million for the SPD program to address urgent client placements and improve services.

A request to proceed with the mitigation strategy of \$4 Million, will reduce SPD budget pressures. The mitigation strategies will not impact client care, but rather, will be achieved through finding efficiencies in current funding, eg transportation strategy, service provider group insurance.

Additionally, Deloitte’s Report on the Braemore Home Corporation will have budget implications for SPD beyond 2012-13. Early indicators are there may be approximately 60 people who could live, with appropriate supports, in the community. Capital costs for new community homes (for 6-8 people) will be required, as well as increased operational costs for staffing. Estimated costs to move 48 clients to a group home level from Braemore Adult Residential Centre into six 8 bed group homes is estimated to be \$3.4 million, (average cost per client per day is \$193.35).

**FINANCIAL IMPLICATIONS:**

Approval of SPD budget pressures of \$11.1 million will address placement pressures, special needs costs as a result of the new policy, initial implementation of the Braemore Report recommendations. If the additional funding is not secured, the waitlists will continue to grow, people will stay in hospitals longer and the health and safety of individuals with disabilities may be compromised.

Approval to proceed with outlined mitigation strategy will enable SPD to proceed with the plan for budget pressure reduction. The suggested mitigation strategies are manageable and achievable given the public interest and expectation of the SPD program.

In closing, on behalf of DCS, I thank you for consideration of the above requests.

c: Mr. George Savoury  
Mr. George Hudson  
bc: Ms. Bonnie LeFrank  
Ms. Lynn Brogan  
Ms. Lorna MacPherson