

# Residential Services for People with Developmental Disabilities

## Background

The Ministry of Community and Social Services (Ministry) funds residential and support services for people with developmental disabilities to help them live as independently as possible in the community. The Ministry is not required to provide these services under legislation, so access to residential services depends primarily on the decided-upon level of Ministry funding, which is determined in relation to all other government priorities.

There are different legal definitions of developmental disabilities for adults and children.

The *Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act, 2008* says adults have a developmental disability if their **cognitive** and **adaptive** functioning was significantly and permanently limited before the age of 18 and affects areas of major life activity such as personal care or language skills.

Under the *Child and Family Services Act, 1990*, a child has a developmental disability only if he or she has a condition of mental impairment during the formative years that is associated with limitations in **adaptive** behaviour. This means that someone receiving services as a child may no longer be eligible for them under the adult Act on reaching age 18 because they may not be cognitively impaired.

The Ministry estimated there were 62,000 adults in Ontario with developmental disabilities in 2012, and that about half needed residential services. As shown in **Figure 1**, about 17,900 people received residential services during the 2013/14 fiscal year, 98% of them adults. Another 14,300 adults were on a wait list for services at year-end.

In the 2013/14 fiscal year, the Ministry paid a total of \$1.16 billion to 240 not-for-profit community agencies operating nearly 2,100 residences that provided residential and support services to people with developmental disabilities. Of this total, 97% was for adult services.

The Ministry funds two different kinds of residential services for children, and five for adults, ranging from supported independent living in a home-like setting to intensive-support residences that provide 24-hour care. Some agencies may deliver more than one type of program or service and operate several residences. **Figure 2** provides a breakdown of funding for each type of residential service. Almost 76% of total funding in the 2013/14 fiscal year was for adult group homes.

The Ministry, through its regional offices, is responsible for overseeing program delivery by agencies. Children's residential services are funded by the Ministry of Community and Social Services. The Ministry of Children and Youth Services handles complaints, licensing of residences where children reside and the inspection of those residences.

**Figure 1: Ministry-funded Residential Services for People with Developmental Disabilities**

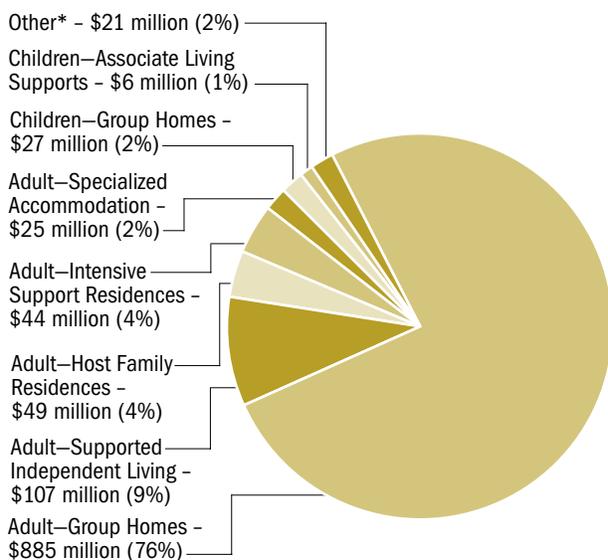
Source of data: Ministry of Community and Social Services

Type	Description	# of People Served in 2013/14	Wait List as of March 31, 2014
Supported Group Living Residences (Group Homes)	Three or more individuals live in a group home operated by a transfer payment agency where 24-hour care and support services are provided seven days a week.	9,893	6,938
Supported Independent Living	Individuals often live in their own accommodation such as a rental apartment, with some staff support provided by transfer payment agencies.	5,537	5,052
Host Family Residences/ Associate Living	Individuals live in a family's home, similar to foster care. The family receives a per diem through a transfer payment agency to cover some living expenses.	1,633	833
Intensive Support Residences	One or two individuals live in a residence operated by a transfer payment agency where 24-hour care and support services are provided seven days a week.	328	197
Specialized Accommodation	Transitional or permanent specialized settings, including residential care, structured support, planning and treatment for individuals with a developmental disability and a co-existing mental illness or behavioural challenges.	462	—
		<b>17,853</b>	<b>14,326*</b>

\* Includes an additional 1,306 people for whom a residence type was not specified.

**Figure 2: Funding for Residential Services for People with Developmental Disabilities, 2013/14**

Source of data: Ministry of Community and Social Services



\* These are mortgage subsidies provided since 1998 to agencies that primarily house persons with developmental disabilities. Funding is provided under a Memorandum of Understanding with the Ministry of Municipal Affairs and Housing.

In 2011, the Ministry established Developmental Services Ontario (DSO) as the single access point in each of its nine regional offices that existed at that time for all adult developmental services it funds. During 2013/14, the Ministry reduced its nine regions to five, but kept a DSO office in each of the original nine regions. The Ministry has contracted with nine not-for-profit community agencies to each operate a DSO office. The roles and responsibilities of each organization in the system are illustrated in **Figure 3**.

The Ministry of Community and Social Services says the adult developmental service system faces challenges because its clients are growing older and living longer, and because their care needs are more complex (40% of people with developmental disabilities also have mental-health issues).

In October 2013, the Legislative Assembly created the Select Committee on Developmental Services (Committee) to develop strategies for developmental services and the co-ordination of program and service delivery across provincial

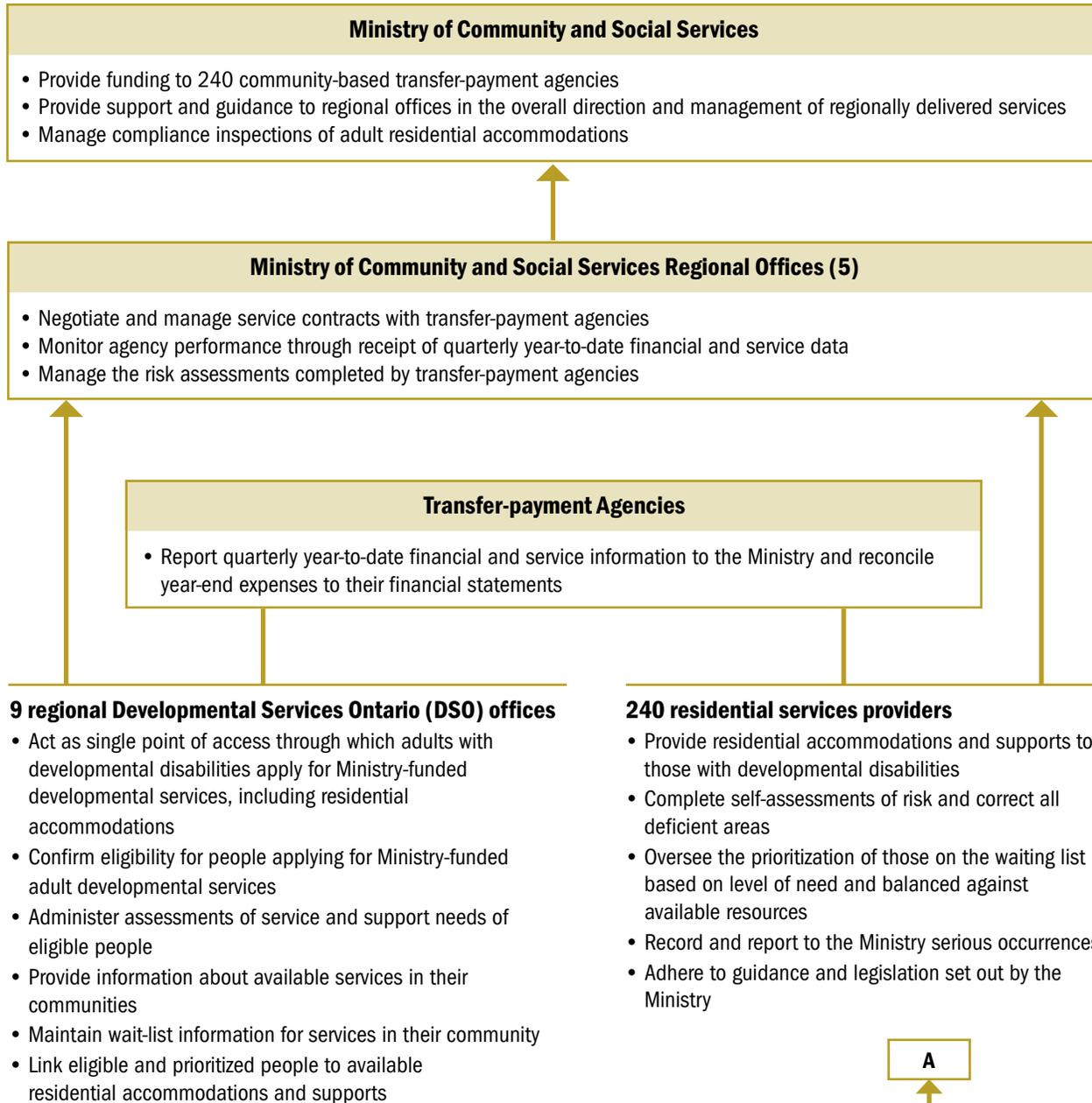
ministries. The Committee was to focus on several areas, including the need for a range of affordable housing options for youth and adults.

After hearing from relevant ministries, service providers and families of those receiving or waiting for services, the Committee issued an interim

report in March 2014 and a final report with recommendations in July 2014. We considered the Committee's work during our audit, and we included the recommendations applicable to Ministry-funded residential services in **Appendix 1**.

**Figure 3: Roles and Responsibilities of Providers of Services for People with Developmental Disabilities**

Prepared by the Office of the Auditor General of Ontario



**A**

**B**

B reports to A.

## Audit Objective and Scope

The objective of our audit was to assess whether the Ministry of Community and Social Services has effective mechanisms in place to:

- meet the residential needs of people with developmental disabilities in a cost-effective manner; and
- monitor service providers' compliance with regulations, ministry policies and contractual obligations.

Senior management at the Ministry of Community and Social Services and the Ministry of Children and Youth Services reviewed and agreed to our audit objective and criteria. Senior management at the Ministry of Children and Youth Services reviewed and agreed only to those criteria relevant to them, specifically those dealing with access to children's services and inspections of children's residences.

In conducting our audit, we reviewed relevant documents; analyzed information; interviewed appropriate ministry and agency staff; and reviewed relevant research from Ontario and other jurisdictions.

We conducted our audit work primarily at the head office of the Ministry of Community and Social Services, three regional offices that perform functions for both the Ministry of Community and Social Services and the Ministry of Children and Youth Services, and the three Developmental Services Ontario (DSO) offices in the regions selected. At the time of our audit, the three regions selected accounted for 46% of all Ministry funding to agencies, 48% of all people with developmental disabilities served in the province, and 60% of all those waiting for residential services. We also visited three agencies offering different types of accommodations to better understand the residential services they provide and to review selected procedures.

In addition, we reviewed transcripts of all the hearings of and reports by the Select Committee on Developmental Services. We carried out fieldwork between November 2013 and May 2014.

In summer 2013, the Ministry's internal audit team conducted an audit of travel, meals and hospitality expenditures at agencies that delivered services to people with developmental disabilities. We reviewed its report and considered its findings in the audit areas we examined.

## Summary

In the last four years, the number of Ontarians with developmental disabilities receiving residential services and supports grew only 1%, to 17,900, while spending on those services and supports rose 14%, to \$1.16 billion. Although a portion of this funding increase was intended to accommodate 1,000 more people over four years, only 240 more were being served by the end of the third year. In addition, at March 31, 2014, the number of people waiting for service was almost as high as the number of people who had received service in the previous 12 months.

In recognition of the challenges facing this sector, the Ministry began work in 2004 on a comprehensive transformation of developmental services in Ontario. It was still working on this project at the time of our last audit in 2007—and the project was still unfinished at the time of this latest audit in 2014.

The Ministry did make some progress in the past decade by, for example, creating a single point of access for services through the new Developmental Services Ontario (DSO) offices, and standardizing eligibility criteria and application processes.

However, significant shortcomings remain in the computer system used to track people waiting for or receiving services. In addition, the Ministry has yet to complete development of a consistent prioritization process or revise its funding methods to tie funding to individuals' needs.

At present, ministry funding to service providers is based on what the providers received in previous years rather than on the level of care required by the people they serve. A new funding method based on a reasonable unit cost for services by level of care

could lead to savings that would enable more of the people currently on wait lists to be served. This change in approach could also help it better identify demands for service, strengthen the system's ability to support need and reduce gaps in service.

Our most significant findings are as follows:

- **People with the highest-priority needs are not usually placed first:** Eligible people who need residential services are assessed and prioritized for services. However, placements go to people who are the best fit for the spaces that become available, instead of those assessed as having the highest priority needs. In two of the regions we visited, for example, 18% and 33% of those placed during 2013/14 had a lower-than-average priority score on their regional wait lists.
- **Funding is not needs-based and cost variances are unexplained:** Funding to agencies is based on what the agencies got in previous years, and typically changes only when the service they provide changes or expands. We calculated the cost per bed or cost per person across the system for the 2012/13 fiscal year, and found big variations. For example, the cost per bed for adult group homes ranged from \$21,400 to \$310,000 province-wide, and we also observed large variances within regions, which the Ministry was unable to explain. The Ministry said in 2004 it needed to revise its funding method, but was still working on that in 2014. The Ministry acknowledged that people with similar needs may be receiving different levels of service.
- **There is no consistent prioritization process across regions:** At the time of our audit, the information needed to set funding on the basis of a person's support needs was not available because most people in the system prior to 2011 (either awaiting or receiving services) had not had a needs assessment completed by a DSO or been prioritized for services. In addition, although a provincially consistent needs-assessment procedure was introduced in 2011, the process for prioritizing people for the wait list is not consistent across regions. This impairs the Ministry's ability to identify regions and agencies most in need, and to allocate funds accordingly.
- **Roles and responsibilities over children's residential services need clarity:** The segregation of roles between the Ministry of Community and Social Services and the Ministry of Children and Youth Services regarding children's residential services is confusing; one Ministry is responsible for contracting, funding and managing the relationship with service providers, and another Ministry is responsible for handling complaints, and licensing and inspecting those service-provider premises. Confusion can arise over who is accountable for the overall delivery of children's residential services.
- **There is no consistent process to access children's residential services:** Some children access residential services through a centralized access point while others access residential services through a service provider—the method of access used depends on where in the province children live. Furthermore, we noted there is no consistent wait-list management process for children's residential services. As a result, the Ministry of Children and Youth Services is unable to determine the demand for children's residential services.
- **Program lacks performance indicators:** The Ministry has established no performance indicators to assess the quality of residential care provided. Moreover, the Ministry does not survey residents or families about their level of satisfaction with services.
- **Crisis placements are often not short-term as intended:** There is a local urgent-response process to which each of the nine DSO offices can refer individuals in crisis. About 100 temporary beds are available for these placements province-wide. Although the beds are intended only for stays of about 30 days,

individuals often stay much longer because of the lack of permanent accommodation with appropriate supports. These short-term beds are then unavailable to others in crisis. In one region, for example, 15 temporary beds were occupied by the same people for extended periods and were unavailable between 2010 and 2013.

- **Wait lists for residential services are long:** The number of people waiting for adult residential services and supports stood at 14,300 as of March 31, 2014, compared to the 17,400 who received services in the same year. Furthermore, wait lists are growing faster than capacity; between 2009/10 and 2013/14, the number of people waiting for adult residential services increased 50%, while the number served increased only 1%. We calculated that at this rate, it would take 22 years to place everyone who is currently waiting for one of the two types of residences that house the most people—assuming no one else joins the list.
- **Deficiencies in managing vacancies:** The long-term-care home system sets deadlines for people to decide whether they will accept a placement and when they will move in. However, there are no such deadlines for developmental disability residential services. As a result, contrary to ministry expectation, it takes longer than 60 days to fill vacancies. We found that the average time to fill a vacancy in 2013/14 in the three regions we visited ranged from 92 to 128 days.
- **Adult residences may go uninspected for years:** Some 45% of residences have not been inspected since 2010 or earlier. In June 2013, the Ministry adopted a new model that selects agencies for compliance inspection—but that involves a physical inspection of only a sample of residences operated by the agency selected. Hence, there is no guarantee that every residence will eventually be inspected. Other concerns include an average 24 days' advance

notice of inspection, and the fact that most agencies have not been correcting items of non-compliance within the required 60 days.

- **Care standards are few and open to interpretation:** Ontario has set standards of care in some areas, but most are general in nature. For example, the standard for group homes requires only that the number of support staff must be adequate and that staffing schedules reflect resident requirements. However, there is no specified staff-to-resident ratio. New Brunswick requires specific staff-to-resident ratios based on the level of care each residence provides.
- **Numerous problems with data integrity:** The Ministry created the Developmental Services Consolidated Information System (DSCIS) database in 2011 to combine existing client information maintained by the various service providers. However, three years after implementation, data in the DSCIS still has not been validated and the system is not fully functional, which has forced each DSO office to maintain a separate information system. Our review of the serious occurrence reporting system also found that the number of serious incidents reported by agencies for 2012 and 2013 was understated by about 360 incidents, and that information was incomplete for an additional 1,230 incidents.

## OVERALL MINISTRY RESPONSE

The Ministry of Community and Social Services (Ministry) funds residential supports in the community for adults with developmental disabilities that range from supported independent living, where people live in their own apartment and receive support from staff from a service agency, to group homes with staff providing supports 24 hours a day, seven days a week. The range of services reflects the diverse preferences, strengths, needs, aspirations and circumstances of individuals with developmental

disabilities, and their families. Ministry-funded residential services aim to support individuals' choices and provide the supports they need to live independently and become fully integrated in the community.

The Ministry has made substantial progress since beginning the long-term transformation of developmental services in 2004. The goals of this transformation are to create a developmental services system that is fair, accessible and sustainable, and promotes social inclusion for adults with developmental disabilities. The last province-run institution for adults with developmental disabilities was closed in 2009.

Since 2011, the Ministry has:

- implemented new legislation aimed at promoting greater social inclusion;
- moved to a single direct funding program for adults with a developmental disability;
- introduced a standardized application and assessment tool; and
- introduced a single-window entry point through Developmental Services Ontario to make it easier and more consistent for people to apply for services.

The Ministry appreciates the findings and recommendations of the Auditor General to improve its management of the residential services program. Progress has already been made or is planned for some of the areas identified by the Auditor General:

- In October 2014, the Ministry developed a prioritization tool for use across the province, and began phased implementation with the Passport program, which provides funding to adults with developmental disabilities to take part in community programs, hire a support worker or provide respite to their caregivers.
- Starting in 2015/16, the Ministry will strengthen its compliance inspection process by conducting inspections of all service agencies annually.

- In conjunction with the Ministry of Children and Youth Services, the Ministry is in the process of improving serious occurrence reporting to support better decision-making both regionally and provincially. Also, in 2015, the Ministry will create an oversight team to improve reporting, oversight, and monitoring of the developmental services sector.
- The Ministry is continuing to enhance the provincial information technology system (DSCIS) to improve our ability to plan and manage the system.

Starting in 2014, and continuing over the next three years, the Ministry is investing \$810 million. This includes \$243 million to reduce the residential waitlists; \$274 million to reduce the direct funding waitlists; \$200 million to build system capacity; and the remaining \$93 million to focus on improving outcomes in housing, employment and sectoral performance. This investment will continue to drive the transformation of the system, so individuals with developmental disabilities can be fully included in the fabric of our communities and live as independently as possible.

## Detailed Audit Observations

### Program Funding, Expenditures and Performance Measures

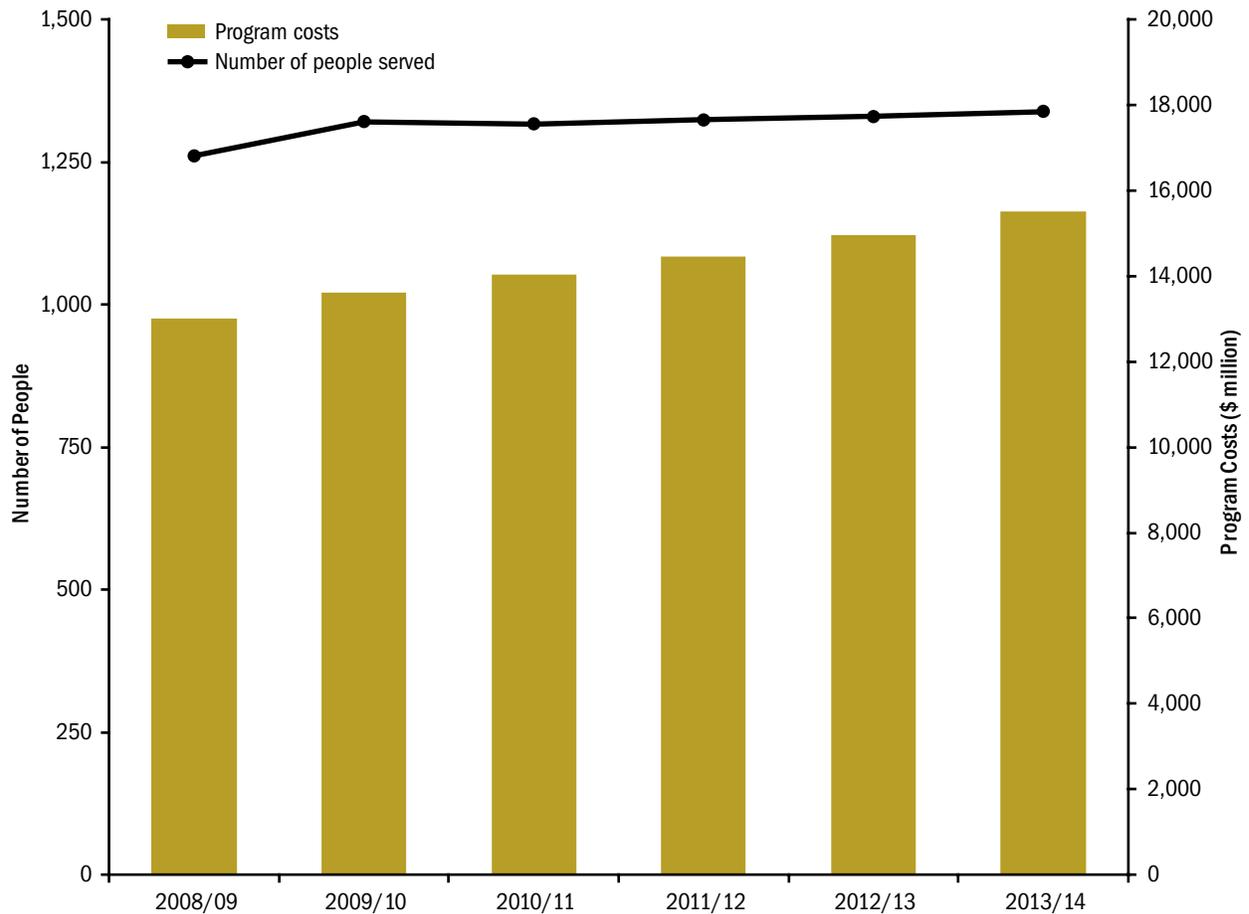
#### Program Costs Increasing Faster than the Number of People Served

From 2009/10 to 2013/14, funding for residential services increased \$142 million, or 14%, to \$1.164 billion, but the number of people served rose only 1%, as shown in **Figure 4**.

The Ministry could not tell us how much of that \$142-million increase went to creating new residential spaces, helping children transition from children's residential services to adult residential

**Figure 4: Total Program Expenditures and Number of People Served, 2009/10–2013/14**

Source of data: Ministry of Community and Social Services



services, or increasing base funding to alleviate operating pressures. In addition, the Ministry was unable to provide us with a complete listing of all funding initiatives and their impact to date.

The \$142-million increase included \$84 million announced in 2010/11 to serve 250 additional individuals each year over a four-year period (or 1,000 total new spaces at the end of the four-year period in the 2013/14 fiscal year). However, the total number of adults served by the end of the third year was not the expected 750, but rather only 240. The Ministry speculated that this was because some people with complex needs might have required two or three times the average funding.

### Funding for Service Providers Not Based on Individuals' Needs

Base annual funding to providers of residential services and supports is normally based on the previous year's funding level rather than the specific needs of individuals in their care, and generally changes only when an agency changes or expands its services. In such cases, agencies must submit a business case to the Ministry for consideration and approval. Agencies may also receive one-time funding to deal with in-year pressures. In the 2012/13 fiscal year, 97% of funding was allocated on a historical basis and the remaining 3% was one-time money.

We also reviewed funding methods for new initiatives over the last four fiscal years. This additional funding was provided primarily to reduce the wait list

for residential services and/or to transition children who had turned 18 to adult services. We noted that the allocation method for new initiatives did not take into account the level of support required by the individuals needing residential services.

At the time of our 1997 audit on the accountability and governance of transfer-payment agencies, the Ministry indicated that it planned to establish provincial funding benchmarks for all residential programs based on the level of support required by individuals in their care. As part of its plan to transform the developmental services program, the Ministry in 2004 identified the funding method as an area needing revision. In 2009, the Ministry conducted a review of funding practices in other jurisdictions and found that most of them were testing or moving toward individualized funding based on assessed needs.

Under a needs-based funding system, information on individual support needs is to be gathered using a common assessment tool. In Ontario, the needs assessment tool is the Supports Intensity Scale, which measures the pattern and intensity of supports a person needs to participate in everyday life activities. The next step is to create different need profiles and categories to address the varying levels of need, and then tie funding to those levels.

In 2011, the Ministry adopted the Supports Intensity Scale and commissioned a consultant to design a funding allocation formula using this tool. As of May 2014, however, the Ministry was still in the testing phase for determining levels of support categories.

At the time of this audit, the Ministry did not have the necessary information to develop a needs-based funding system because most people who entered the system before 2011 (when the Supports Intensity Scale was implemented) had not had their needs assessed. This included people receiving or waiting for services. The Ministry acknowledged that as a result, people with similar needs may be receiving different levels of service and support.

Other jurisdictions have established funding models based on an individual's assessed level-of-care needs. For example:

- In New Brunswick, residences are classified by the level of care provided and are funded accordingly, with those providing the most intensive services receiving the highest per diem rates. The daily rate for a person receiving the highest level of care is double the daily rate for a person receiving the lowest level of care.
- In Manitoba, funding to agencies delivering residential services is based on a combination of individualized funding and per diem rates. Individualized funding is based on the level of support required by an assessed individual—basic, enhanced or complex. Per diem funding covers standard expenses such as shelter, general operations, administration and staffing.

Although they do not serve the same population, long-term-care homes in Ontario provide many similar services to equally vulnerable people, and are funded based on client needs. The homes receive a per diem rate, made up of four components, for each approved or licensed bed. The first three components are the same for all homes, and cover such items as program and support services, food, and other accommodation costs. However, the fourth component, relating to nursing and personal care, is adjusted to reflect residents' specific care needs—the higher the need, the higher the rate for that portion of the per diem funding.

### Large Variance in Unit Costs by Residential Service Type

We analyzed the unit cost of providing services in the 2012/13 fiscal year for each residential setting, as shown in **Figure 5**. Where capacity was known, we calculated the cost per bed. Where capacity was unknown, as in the case of host family residences and supported independent living, we calculated the cost per person served. We found a wide variation in unit costs among agencies for similar types of residential services across the province and also noted large ranges in unit costs within regions.

**Figure 5: Actual Cost per Bed by Residential Service Type, 2012/13**

Source of data: Calculated by the Office of the Auditor General using quarterly data submitted by service providers to the Ministry of Community and Social Services

Residential Types	Range (\$)	Median Unit Cost (\$)
Adult – Group Homes	21,400–310,000	93,400
Adult – Specialized Accommodation	3,000–341,500	143,000
Adult – Intensive Support Residences	21,200–352,000	158,000
Adult – Host Family Residence*	8,500–133,000	28,300
Adult – Supported Independent Living*	1,800–150,000	19,900
Children – Group Homes	22,300–262,500	147,600
Children – Associate Living Supports*	12,900–122,200	37,700

\* Represents cost per person served rather than cost per bed because the Ministry does not collect data on available capacity or number of beds.

Agencies may operate different types of residential services and multiple residences. Since all data is collected at the agency level, with no details about individual residences, the Ministry cannot compare the cost per bed for residences of the same type and capacity.

In addition, because most people living in Ministry-funded residences prior to the adoption in 2011 of the Supports Intensity Scale have not had their care needs assessed using the Scale, the Ministry cannot compare the unit cost for people with similar needs, further limiting its ability to identify agencies and residential types operating most cost-effectively.

Although the Ministry is aware that there are large variances in unit costs, and has taken steps to better understand them, it has not determined a reasonable unit cost. In 2011, for example, the Ministry asked agencies to complete a survey for the 15,000 residents in their care at the time, to determine:

- whether higher costs are associated with the type of residential service and the levels of support required;
- whether there is a relationship between levels of support and client characteristics; and
- which characteristics are associated with different levels of support.

The Ministry confirmed that agencies serving people with higher support needs have higher per-

unit costs, but it has not built a model to confirm the support needs of residents and, in turn, the cost.

In 2012, the Ministry launched a project to explore whether resources are deployed on a needs basis, and to determine the range of unit costs and whether client profiles could help explain cost variances. The Ministry conducted its analysis using data for 2011/12 and 2012/13, and found a large range of unit costs for each type of residential service. It concluded that improvements are needed to address data-quality issues, and better understand the differences in the levels of need agencies face and the quality of services they provide.

### RECOMMENDATION 1

To ensure that funding for residential services and supports for people with developmental disabilities is equitable and tied to the level of support required by individuals in care, the Ministry of Community and Social Services should establish a funding model based on the assessed needs of people requiring services.

### MINISTRY RESPONSE

The Ministry has been working toward the development of a funding model based on risk and needs. The approach to funding will be guided by principles of equity, stability and sustainability. The Ministry has undertaken a series of initiatives to better understand the

linkages between resource deployment and client characteristics, including conducting an extensive review of service costing, engaging stakeholder and expert panels to review and comment on potential models, and completing comprehensive literature and inter-jurisdictional reviews.

The Ministry recognizes that a new funding model is essential but will take time to develop and implement. The implementation of a new funding model will only be successful with the partnership of its service providers, individuals and their families. A completion date has not yet been determined.

In the meantime, the Ministry is developing funding guidelines to support equitable funding based on the needs of individuals, and plans to distribute these guidelines to service providers in 2015/16.

### Program Lacks Meaningful Performance Indicators

The objective of the program is to provide residential services and supports to enhance clients' independence and inclusion in the community. We found that the Ministry has set no performance indicators that can be benchmarked, measured and reported on; nor does the Ministry survey residents or their families to measure satisfaction with the services it funds.

Although the Ministry collects information from service providers on a quarterly basis, this information measures only output, not outcomes.

In general, we found that other jurisdictions that fund residential services and supports for people with developmental disabilities did not have useful performance measures. However, we did find performance indicators that could be applied to Ontario's program for people with developmental disabilities from programs in other jurisdictions providing residential services for other vulnerable people, such as children and the frail elderly. These included:

- percentage of residents who have had a medical or dental check-up in the previous 12 months;
- prevalence of falls, behavioural symptoms and depression;
- percentage of residents taking multiple medications and/or for whom numerous medication errors have been reported;
- percentage of residents who say they are satisfied with their personal care; and
- percentage of residential staff providing direct care who have received the specified number of hours of relevant formal training on a regular basis.

### RECOMMENDATION 2

The Ministry of Community and Social Services should review performance measures used in other jurisdictions to evaluate residential services provided to vulnerable people and, where appropriate, adapt these to develop relevant performance measures for residential services for people with developmental disabilities.

### MINISTRY RESPONSE

The Ministry recognizes the importance of outcome-based performance measurement to enhance service delivery and system accountability.

In July 2014, the Ministry started reviewing options for adopting a quality improvement framework, including examining other Canadian and international jurisdictions. The Ministry is also consulting experts in Ontario to consider ways to monitor the quality of services and supports provided to adults with developmental disabilities. This work will continue through 2014/15 and into the next year.

The Ministry will review the research results and will work toward the development of performance measures for developmental services related to individual and system outcomes.

## Accessing Residential Services

The process of providing Ministry-funded adult developmental residential services involves:

- confirming eligibility;
- assessing needs;
- prioritizing access to services; and
- matching eligible people to available resources.

## Eligibility Confirmation and Needs Assessment Have Improved

Since we last audited the program in 2007, the Ministry has developed a consistent process for confirming eligibility and assessing needs of applicants. Legislation was enacted in 2008 that clearly defines an adult with a developmental disability. As well, the Ministry developed a new application form that outlines eligibility criteria and specifies required documentation. The application captures information on the applicant's individual circumstances, strengths, challenges and goals, as communicated by the individual and/or his or her family. The Ministry also introduced the Supports Intensity Scale, to help identify the intensity of supports a person needs to participate in everyday life.

Since the establishment of the nine Developmental Services Ontario (DSO) offices as the single point of access, all persons applying for ministry-funded adult developmental services and supports, including residential services, must have their eligibility confirmed and their needs assessed by a DSO office. People on the wait list since before July 2011 do not have to have their eligibility confirmed, but must have their needs assessed.

Based on a sample of applications we reviewed in the three regions visited, we found that DSO offices were assessing applicants' eligibility and needs in accordance with legislation and ministry policies.

However, we also found that it took far too long to process an application. We calculated that in 2013/14, it took an average of 209 days, or almost seven months, from the time an application was

received until a needs assessment was completed. The biggest single delay was from the time an applicant's eligibility was confirmed until the time a needs assessment was done—an average of four months. DSO office staff we spoke with estimated that under ideal conditions it should take only about three business days to complete a needs assessment. The Ministry attributes these long wait times to not having enough qualified staff to perform the assessments, and to scheduling and administrative issues. Based on the number of assessors and the number of applicants deemed eligible in 2013/14, the annual workload ranged from 34 to 130 required assessments per assessor. This suggests that some DSO offices could be understaffed while others are not.

## Ministry Database Lacks Reliable and Accurate Information

In July 2011, the Ministry launched the Developmental Services Consolidated Information System (DSCIS) database to record personal and service details about every adult with a developmental disability requesting or receiving services and supports. Three years later, the Ministry still has not finished validating the data entered into the DSCIS.

The DSCIS was meant to support DSO offices as the single point of access for adult developmental services and supports, and contains information on intake, eligibility confirmation and needs-assessment status. However, it does not record prioritization scores, vacancies or wait lists; these details reside in the individual databases of each DSO office.

Service providers had previously maintained their own systems but migrated their data to the new DSCIS. At a hearing with the Select Committee on Developmental Services, DSO office staff expressed frustration with what they described as a semi-operational database that was intended to help manage their work, but has instead forced them to track information themselves.

## No Consistency in Prioritizing Applicants for Services

The Ministry has not completed development of a provincially consistent process to prioritize people awaiting developmental services. Instead, each region has a different prioritization process.

In one region we visited, prioritization was done by a committee composed of representatives from developmental service agencies, other sectors such as mental health, and family members of people with developmental disabilities; in another region, two people from a developmental service agency did the prioritization; and the third region used an automated scoring system.

In addition, each region has its own prioritization tool with its own identified risk factors and weightings. This results in inconsistent prioritization scores across the province, making it difficult for the Ministry to identify the location of people with the most immediate needs for resources and to be able to allocate funding accordingly.

## Applicants Whose Needs Match Existing Resources Are Placed First

One would expect that people assigned the highest priority would be offered vacancies first, but agencies often do not have the required services and support in place to meet the most challenging needs. As a result, the current matching process involves selecting the person who best fits the space that has become available. Although this may be practical, it does not serve the highest-priority person first.

In one region we visited, for example, 33% of those placed in residences during 2013/14 had a prioritization score below the average of others on the regional wait list. In another region visited, 18% of those placed during 2013/14 had scores below the average on the wait list.

This indicates that people with greater needs face greater difficulty in finding appropriate residential services and supports. For example, one person who had been on the wait list since 2008 was rejected by agencies for nine vacancies because

of behavioural issues; at the time of our audit, the person lived in Toronto's Centre for Addiction and Mental Health, waiting for an appropriate placement to become available. Similarly, another person was rejected by agencies nine times since 2012 because of behavioural issues, and is currently in hospital because no housing with appropriate behavioural supports can be found.

In both cases, the individuals are receiving some support, albeit in a setting that is inappropriate for them. At the same time, they are tying up a bed that could go to someone requiring those particular supports.

## Crisis Placement Not Short-term in Nature and Not Meeting Needs

The Ministry requires each DSO office to follow the Ministry-established local urgent-response process in order to place individuals in urgent need of supports. This can be, for example, when a family member is unable to continue providing care essential to the health and well-being of an adult with a developmental disability.

There are two types of temporary beds in the developmental services system—safe beds (used exclusively for people in crisis) and treatment beds (primarily intended for people with behavioural or mental health issues in addition to a developmental disability who may also be in crisis). Thirty-one safe beds and 70 treatment beds are available province-wide, and 87 people in crisis were placed in them in 2013/14.

Although the beds are intended for short-term stays of about 30 days, we found that individuals often stay longer because of a shortage of appropriate permanent accommodations. This makes the beds unavailable to others facing a crisis. For example, in one region, eight individuals occupied treatment beds for long stays, making them unavailable to others between 2010 and 2014; in another region, 15 individuals occupied treatment beds for long stays, making them unavailable to others between 2010 and 2013.

During its hearings, the Select Committee on Developmental Services was told that in crisis situations, young people with developmental disabilities may be placed in psychiatric wards, hospitals or long-term-care homes. These placements are expensive and unsuited to the individual's needs. The Committee also heard from the Ministry of Health and Long-Term Care that about 4,500 people with developmental disabilities live in long-term-care homes even though there are at present no units designated specifically for them in the homes.

### No Consistent Process to Access Children's Residential Services

Both the Ministry of Community and Social Services and the Ministry of Children and Youth Services fund residential services for children with developmental disabilities, even though the latter has no dedicated residences for these children. Access to these services is managed by the Ministry of Children and Youth Services.

The segregation of roles between the Ministry of Community and Social Services and the Ministry of Children and Youth Services regarding children's residential services is confusing; one ministry is responsible for contracting, funding and managing the relationship with service providers, and another ministry is responsible for handling complaints, and licensing and inspecting those service-provider premises. Confusion can arise over who is accountable for the overall delivery of children's residential services.

We found that there is no consistent process for accessing residential services for children. Depending on where in the province they lived, some people used a centralized access point while others went directly to a service provider. This can cause confusion for people attempting to access services and result in differences in how quickly they are served.

Furthermore, we noted there is no consistent wait-list management process for children's residential services. However, two centralized access

centres for children's services in the regions we visited kept a wait list. In one region, the list included 10 children, aged 12 to 15, who had been waiting an average of 4½ months. In the other region, the wait list contained 149 people, but no data on their age or how long they had been waiting. As a result, the Ministry of Children and Youth Services was unable to accurately determine the demand for children's residential services.

### Transition Process from Child to Adult Services Needs Improvement

A Provincial Transition Planning Framework was developed in 2011 to help ensure that every youth with a developmental disability has a unique transition plan upon reaching age 18, based on eligibility, assessed needs and available resources, and guided by the youth's interests, preferences and priorities.

At the time of our fieldwork, service providers and the Ministries of Community and Social Services, Children and Youth Services, and Education were developing regional protocols to formalize transition-planning responsibilities. The protocols identify the parties responsible for leading and supporting transition planning in each community and define the roles of the organizations involved. The new protocols were implemented and transition planning for young people with developmental disabilities went into effect in September 2014.

### RECOMMENDATION 3

To ensure that services are administered consistently and equitably, and that those most in need receive required services, the Ministry of Community and Social Services should:

- complete timely needs assessments for all eligible individuals waiting for residential services;
- develop a consistent prioritization process across the province; and
- validate all information in the Developmental Services Consolidated Information System.

## MINISTRY RESPONSE

The Ministry recognizes the need to ensure that services are administered consistently and equitably. To that end, the Ministry is working with Developmental Services Ontario (DSO) offices to improve efficiency and consistency in the existing assessment of the support-needs process. To further assist DSO offices in completing timely assessments for individuals and their families, the Ministry will be increasing the number of assessors in each office by the end of 2015, by a total of 37. These steps will help to reduce the backlog and wait times for assessments.

The Ministry is building on the work of the existing community prioritization processes to promote greater consistency and increased fairness through the introduction of a provincially consistent prioritization tool and process. Implementation of the tool began with the Passport program in October 2014, and will be evaluated prior to continuing implementation for residential services.

The Ministry recognizes that more work needs to be done to further advance the provincial information technology system (DSCIS), and will continue to make improvements. An implementation plan is in place to validate residential wait-list information and upgrade the DSCIS. Validation of residential wait-list information is a current priority and is targeted for completion in 2015/16. Planned upgrades to the DSCIS include a system update to enable DSO offices to match individuals to available resources identified by service agencies. Specifically, for the first time, there will be a provincial database linking DSO offices and service agencies to match individuals to resources. The Ministry is targeting implementation by the end of 2015.

## RECOMMENDATION 4

The Ministry of Children and Youth Services should develop a policy that is applicable to

all children's residences that are funded by the government of Ontario. This would include implementing a consistent access mechanism and wait-list management process across the province for residential services for children and youth with developmental disabilities.

## MINISTRY RESPONSE

The Ministry of Children and Youth Services funds and licenses a variety of residential settings for children and youth, including those with special needs such as developmental disabilities.

The government has embarked on a Special Needs Strategy that is aimed at improving outcomes for children and youth, simplifying access and improving service experiences for families. One element is co-ordinated service planning for families of children and youth with multiple and/or complex needs who require a variety of services so that they have a single co-ordinated service plan that takes into account all of their services.

Simultaneously, the Ministry of Children and Youth Services is in the early stages of planning to reform the oversight of all government-funded residential services for children.

The Ministry welcomes the findings of the Auditor General in this regard and will incorporate the findings and the associated recommendation as it implements its plans to improve services for Ontario's children and youth with special needs.

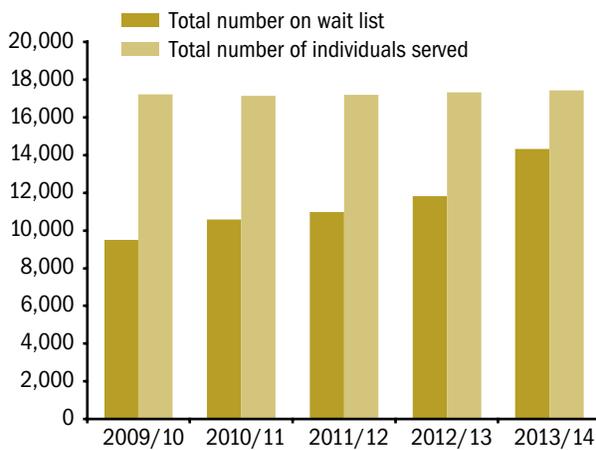
## Wait Management

### Wait Information Not Tracked Consistently Across the Province

According to ministry data, almost as many people were waiting for services as had been served in the past year. **Figure 6** shows that between 2009/10 and 2013/14, the number of people across the province waiting for adult residential services increased

**Figure 6: People Waiting for Residential Services vs. People Served, 2009/10–2013/14**

Source of data: Ministry of Community and Social Services



50%, from 9,500 to 14,300. Of these, 6,900 were waiting for group homes, followed by those waiting for supportive independent living (5,000). Meanwhile, during the same period, the number of people served in adult residences increased only 1%, from 17,200 to 17,400. Ideally, it would be more useful to compare changes in capacity (that is, the maximum number of people who can be served on a daily basis), but the Ministry lacks complete data for the five-year period.

We had some concerns about the wait information, in particular:

- An individual requesting placement in more than one type of residential service setting might be counted twice on the wait list. In one region we visited, the DSO office reported the unique number of people waiting for a bed, but the other two we visited reported the duplicate count. As of March 2014, the wait lists for those two regional DSO offices were overstated by a total of 830 people.
- The Ministry does not track and analyze wait-time information. Tracking and disclosing wait times by region and type of residential setting would increase transparency and accountability. In contrast, the overall median wait times for long-term-care homes are published once a year, and one Ontario Com-

munity Care Access Centre we visited during our 2012 audit of the long-term-care-home placement process also posts wait times on its website for each of its homes.

Wait-list information is reported to senior management every three months (once each quarter). Since 2011, the wait-list information provided to senior management has been based on data collected from the DSO offices. This data indicated that 14,300 people were waiting for residential service as of March 31, 2014. In September 2014, the Ministry revised the number of people waiting for residential services as of March 31, 2014, in the report to senior management using wait-list information from its Developmental Services Consolidated Information System (DSCIS). As noted earlier, this is a database the Ministry developed in 2011 to combine existing client information maintained by the various service providers, and to which it asked service providers at the time to migrate their data. However, the Ministry has not been using the DSCIS because the system is not fully functional and because the Ministry has not yet finished validating the data in it. According to the DSCIS, the number of people waiting for residential services as of March 31, 2014, was 12,800, not 14,300. Accordingly, the revised report to ministry senior management included a disclaimer that the Ministry could neither guarantee the accuracy of the DSCIS information nor explain why the DSCIS and DSO office numbers were different.

### Deficiencies Noted in Managing Vacancies

When a vacancy opens, the service provider is required to inform its regional DSO office, which begins identifying people for placement based on the regional prioritization and matching process. The Ministry does not have a policy on how soon after a bed becomes vacant an agency should notify the DSO office. In the three regions we visited, the time ranged from immediately to five days.

Other concerns with how vacancies were managed are as follows:

- The Ministry requires agencies to provide an explanation when a vacancy has not been filled within 60 days. We noted that the average time to fill a vacancy at the three regions we visited ranged from 92 to 128 days in 2013/14. We also noted there are no mandated timeframes for an applicant to accept a placement offer, or for when they must move in after accepting. In two of the regions we visited, it took up to two months on average to find a person to take the vacancy, and up to an additional 42 days from the time a bed was offered and accepted for the person to move in permanently. The DSO office in the third region did not keep comparable data. The Ministry told us that long placement times are the result of individuals moving in on a transitional basis (for example, just on weekends for a full month before moving in permanently), and depend on the person's comfort level and the family's readiness for transition. In contrast, the Ministry of Health and Long-Term Care has legislated timelines for long-term-care homes: a person has one day to decide whether to accept a placement offer, and then five days to move in.
- The number of beds that become available every year is small in comparison to the number of people waiting. For the two residential types that house the most people (group homes and supported independent living arrangements), we compared the number of people waiting for a bed with the number of beds that became available in the year, and estimated that at that rate, it could take 22 years to place everyone now on a wait list, as shown in **Figure 7**. However, it could take 41 years to clear the Toronto region wait list for group homes and the South East region wait list for supported independent living arrangements.
- Furthermore, the Ministry has not assessed whether people's needs on the wait list will be met by the current mix of residential service types. Therefore, the problem of not being able to place individuals with the highest needs may be perpetuated.

### Limited Action to Date on Recommendations of Housing Study Group

In September 2013, the Housing Study Group released a report called *Ending the Wait: An Action*

**Figure 7: Comparison of Wait List and Vacancies, 2013/14**

Source of data: Ministry of Community and Social Services

Region	Group Homes			Supported Independent Living		
	# of People Waiting (March 31, 2014)	# of Vacancies (2013/14)	# of Years to Clear Wait Lists at this Rate	# of People Waiting (March 31, 2014)	# of Vacancies (2013/14)	# of Years to Clear Wait Lists at this Rate
Central East	1,327	45	29	849	41	21
Central West	643	48	13	252	19	13
Eastern	696	23	30	671	23	29
Hamilton Niagara	857	44	19	648	43	15
North East	231	37	6	224	31	7
Northern	267	11	24	330	15	22
South East	165	15	11	122	3	41
South West	1,131	46	25	1,028	27	38
Toronto	1,621	40	41	928	25	37
<b>Province</b>	<b>6,938</b>	<b>309</b>	<b>22</b>	<b>5,052</b>	<b>227</b>	<b>22</b>

*Agenda to Address the Housing Crisis Confronting Ontario Adults with Developmental Disabilities.* The group was composed of government policy planners and representatives from service providers and the community, clients and family organizations.

The report discusses key barriers to housing in this sector and presents a three-year action plan.

Key recommendations include:

- creating a task force to recommend and implement capacity-building initiatives beginning in 2014, and to create a method for ongoing evaluation of progress and planning;
- creating an “opportunity fund” to invite proposals designed to address the shortfall in housing for people with developmental disabilities;
- creating an inter-ministerial committee for ongoing consultation and creation of a 20- to 25-year work plan;
- obtaining a government commitment to fund housing solutions for 100% of adults with developmental disabilities whose parental caregivers are over the age of 80, and for 50% of those whose parents are over 70; and
- creating a communication strategy study group to publicize housing initiatives resulting from the agenda.

At the time of our audit, the Ministry had not yet indicated whether it endorsed the study’s recommendations. By August 2014, the Ministry had appointed a chair and the membership of the Developmental Services Housing Task Force recommended by the Housing Study Group. No other progress has been made on the recommendations. Given the nature of these recommendations, they may take quite a few years to implement.

## RECOMMENDATION 5

To improve the management of wait times for residential services for people with developmental disabilities, the Ministry of Community and Social Services should:

- promote consistent recording of wait information, including tracking both wait times and wait lists;
- establish guidelines for the length of time an applicant may take to accept a placement, and then to move in;
- consider making wait times public to increase transparency and accountability;
- assess, on the basis of the needs of individuals on the wait list, what the mix of residential service types should be, to enable those with the highest needs to be placed first, as practical, in the future; and
- use the Developmental Services Housing Task Force to develop alternative housing solutions to alleviate demand as quickly and cost-effectively as possible.

## MINISTRY RESPONSE

The Ministry agrees with the Auditor General’s recommendation and recognizes the need to improve the management of wait times. The Ministry is developing system enhancement requirements for the DSCIS that will increase the Ministry’s ability to collect, report and monitor wait-list information across the province. The specific enhancements will enable DSO offices to match individuals to available resources identified by service agencies. Specifically, for the first time, there will be a provincial database linking DSO offices and service agencies to match individuals to resources. The Ministry is targeting implementation by the end of 2015.

The Ministry will consider how best to share relevant service system information, including residential wait-list data, with the public.

Currently, the Ministry is working on initiatives to achieve a more consistent service system experience for individuals and families across the province, including, but not limited to, the introduction of a provincially consistent process for Urgent Response, Urgent Response Case Management, and Service System Planning. A

component of this work will be the issuing of new guidelines for the management of residential vacancies in 2015/16. The guidelines will clarify roles and responsibilities for vacancy management, provide consistent definitions, and articulate key milestones and related timelines for elements of the vacancy management process, including the time allowed to successfully complete a transition to a new home.

As part of the \$810-million investment in developmental services, the Ministry will be moving to multi-year residential planning. This is expected to allow communities to develop innovative housing options that better meet the needs of individuals requiring residential services. Multi-year planning will also allow the sector to build appropriate residential services for complex cases because agencies will have the time to plan over a longer period of time.

The Developmental Services Housing Task Force held its first meeting in September 2014 and will be developing a process to recommend innovative housing demonstration projects for ministry funding and evaluation. It will study emerging best practices from Ontario and other jurisdictions. The task force has a two-year mandate but is identifying innovative, sustainable solutions that can be implemented in the short term.

## Quality of Service Provided

In order to help promote the health, safety and welfare of people receiving ministry-funded residential services and supports, the Ministry inspects service providers, sets requirements for staff training and requires serious occurrences to be reported regularly.

## Compliance Inspections Process Needs Improvement

Providers of adult residential services must comply with a series of quality-assurance measures set out

in regulation and ministry policy. An inspection checklist has been developed that incorporates the quality-assurance requirements under the law and ministry policy directives.

Until December 2010, adult residences were inspected by staff from ministry regional offices. Since then, inspections have been centralized at the Ministry's head office and are conducted by a team of six inspectors. This team is also responsible for inspecting supportive services for people with developmental disabilities, including DSO offices, which manage access to services.

In total, there are about 360 agencies delivering all types of developmental services (either residential services or supportive services) and almost 2,100 residences providing residential services. Inspections typically include a review of agency policy and procedures, board documents, and staff and resident records.

Inspectors try to assess the physical condition of a residence, the personal care provided to residents, and management of residents' personal finances. They also review whether a residence has a fire safety plan, approved by the Fire Marshal. Inspections do not include verification of quarterly service data reported to the Ministry, or the testing of expenditures to ensure compliance with the government's Broader Public Sector Expenses Directive. In addition, we reviewed a sample of inspections and found that in two-thirds of them, inspectors interviewed neither the staff providing direct care to residents, nor residents themselves.

The change to a centralized inspection process for adult residential services has created more consistency in inspections across the province, and in the reporting of inspection results. However, we had the following concerns:

- At the time of our audit, 45% of about 2,100 adult residences had not been inspected since at least 2010, as shown in **Figure 8**. Adult residences for people with developmental disabilities may go uninspected for years. From January 2011 to May 2013, the Ministry used a site-based model to select residences for

**Figure 8: Inspections of Residences for Adults with Developmental Disabilities, by Calendar Year**

Calculated by the Office of the Auditor General using data from the Ministry of Community and Social Services

Last Inspection Date	# of Residences	% of Total
Never inspected	541	25
Before 2011	436	20
2011	344	16
2012	464	21
2013	379	18
<b>Total</b>	<b>2,164</b>	<b>100</b>

inspections. Under this model, the Ministry aimed to inspect only group homes every five years. In June 2013, the Ministry switched to an agency-based model, where the aim is to have each agency inspected once every 24 to 30 months, along with a sample of residences it operates. Selection of both agencies and residences are based on criteria such as date and results of the last inspection, risk assessments, occurrences reported, and percentage of funding. Hence, there is no guarantee that every adult residence will eventually be inspected. Even where a risk-based approach is used, every residence should be inspected at least once during a defined longer-term period (for example, every five to seven years).

- Agencies get advance notice of inspections. Ministry staff informed us that they tell agencies about forthcoming inspections as a courtesy, although they do not specify which residences will be visited until the first day of inspection. Based on a sample of files we reviewed, agencies were given an average 24 days' notice before an inspection. This raises doubts about whether the agency's normal operations are accurately reflected on inspection day. The Ministry of Children and Youth Services also gives advance notice of inspections of children's residences. In contrast, the Ministry of Health and Long-Term Care conducts unannounced inspections of long-term-care homes.

- There is no distinction in the severity of non-compliance issues identified during inspections. All items of non-compliance should be addressed, but those that are more critical for the health, safety and well-being of residents and staff may require an immediate response. It was difficult to determine from inspection reports whether there was an immediate need for corrective action. For agencies inspected between June and December 2013, the number of non-compliance items ranged from one to 78 per agency, with a median of 21 items. However, because items are not coded with respect to severity, it is not possible to know whether the health and safety of residents was compromised.
- Most agencies do not take corrective action quickly enough. In June 2013, the Ministry set a target requiring agencies to correct non-compliance items within 60 days of inspection. We found that 67% of agencies inspected after June 2013 did not meet the target. For residences inspected from January 2011 to May 2013, 12% took longer than one year to address all issues of non-compliance, and 10% were still not in compliance at the time of our audit testing in March 2014.
- We found that Ministry staff did not conduct timely follow-ups to ensure that corrective action was taken. We reviewed a sample of files for residences that were still in non-compliance for at least six months following inspection, and noted that the Ministry had not performed any documented follow-up for an average of 10 months, as of March 31, 2014. When we reviewed a sample of residences that had been inspected more than once, we noted that at least four of the same non-compliance items were found in the subsequent inspections for 40% of them. In addition, the way that inspection results are recorded makes it impossible for the Ministry to analyze them in detail. For instance, inspectors specify the individual residences

they inspect, but enter only the aggregated results by agency into the system. Therefore, in cases where an agency operates multiple residences, it is not possible to relate specific inspection findings to individual residences.

- Inspection results are not made public. In contrast, the Ministry of Health and Long-Term Care requires that inspection reports detailing all findings of non-compliance be posted in a public area of the long-term-care home and provided to resident and family councils. Reports are also published on the Ministry's website to increase transparency and accountability.

Under the *Child and Family Services Act*, residences that house three or more children must be licensed annually. The Ministry of Children and Youth Services is responsible for inspecting children's residences prior to issuing a licence. We found that all children's residences funded by the Ministry of Community and Social Services with more than three children had been inspected and licensed annually as required by the Act.

## RECOMMENDATION 6

To help ensure that inspections of residences contribute to the safety and security of the environments where people with developmental disabilities live, the Ministry of Community and Social Services should:

- continue to use a risk-based approach and set a maximum time allowed before lower-risk residences need to be inspected;
- conduct unannounced inspections;
- distinguish between the severity of non-compliance items and ensure appropriate and timely follow-up where significant issues are noted;
- expand inspection procedures to include verification of service data reported to the Ministry, and test compliance with Broader Public Sector Expenses Directives on a sample basis; and

- publish the results of inspection reports to increase the transparency and accountability of the process.

## MINISTRY RESPONSE

The Ministry continues to strengthen its compliance inspection process and appreciates the Auditor General's recommendations. Beginning in 2015/16, the Ministry will complete inspections of each agency on an annual basis, and will target inspections of every applicable residence operated by service provider agencies in the five-to-seven year timeframe recommended by the Auditor General.

In the past, the Ministry has conducted a few unannounced inspections, in response to complaints. The Ministry supports the recommendation and will increase the number of unannounced inspections.

In summer 2014, the Ministry began work on and is now finalizing a prioritization matrix that recognizes the differing severity of compliance requirements. This matrix will determine a risk rating for all requirements and assign required follow-up actions. The Ministry will also be prescribing timelines for follow up on areas of non-compliance that build on existing provisions in legislation. Both are targeted for implementation in early 2015/16.

We appreciate the recommendation of the Auditor General and will provide direction to ministry staff to ensure compliance with the Broader Public Sector Expense Directives and to verify service level data submitted by service agencies. These will be done on a sample basis outside of the compliance inspection process.

In 2013, the Ministry began consultations with the sector regarding the public posting of inspection results and received support. Publishing results is targeted for the 2015/16 fiscal year.

## Care Standards Are Few and Open to Interpretation

It is important that the Ministry set standards of care to help ensure the well-being of residents. We noted that the Ministry requires residences to follow standards for nutrition, heating and cooling, and hot-water temperatures (to prevent scalding). However, we found that many of the standards of care included in the Ministry's inspection checklist are general in nature and allow for a fair amount of agency discretion. For example, the checklist stipulates that:

- the number of support staff must be adequate, and staffing schedules should reflect 24-hour coverage for group homes and intensive support residences, but there is no requirement for a specific staff-to-resident ratio; and
- each service agency must provide assistance to residents to attend regular medical and dental appointments as needed, but it does not specify the minimum number of times (for example, once per year) a resident should be seen by a physician and dentist.

Other provinces have additional standards of care for adult residential services. For example, New Brunswick specifies staff-to-resident ratios based on the level of care of the particular residence (residences in that province are classified by the level of care they provide), bathroom-to-resident ratios, and minimum bedroom sizes. British Columbia also has requirements for the size of accommodations and the ratio of bathrooms to residents.

### RECOMMENDATION 7

To help ensure the well-being of people with developmental disabilities living in Ministry-funded residences, the Ministry of Community and Social Services should establish further standard-of-care benchmarks, such as staff-to-resident ratios and the minimum number of times a year that each resident should be seen by health professionals such as physicians and dentists.

### MINISTRY RESPONSE

The Ministry supports and acknowledges that better guidance and direction to the sector is required on both financial and quality-of-life expectations.

The Ministry continues to move toward individualized approaches to further our goals of social and community inclusion. As part of developing and implementing funding guidelines in 2015/16, the Ministry will embed points of reference, such as staff-to-resident ratios, to help the sector support equitable funding based on individuals' needs.

In developing standards for service agencies, the Ministry believes it is important to find the right balance between providing sufficient guidance to agencies while permitting flexibility to respond to the unique needs, preferences, and circumstances of the individuals they serve. The requirements in the Quality Assurance Measures are deliberately broad to achieve this balance in a way that provides a safe environment while recognizing that individuals need different supports to help them to live as independently as possible and become fully integrated in the community.

### Some Agency Staff Lacked Required Training and Did Not Undergo Security Screening

The Ministry has mandatory training requirements for DSO employees who assess individuals' support needs and for agency staff who provide care. However, we found that some staff had not received all the required training. Specifically:

- DSO staff who perform needs assessments must successfully complete initial assessor training and a refresher course every 18 months. For 4% of DSO assessment staff, there was no documentation to show they had completed this initial training, and for 12% of staff, there was no documentation to show they had

taken the required refresher course. If staff are not properly trained, applicants may be assessed inappropriately and inconsistently.

- Residential staff providing direct care are required to obtain training in a wide variety of areas, including first aid and CPR; basic needs care such as bathing, medical support and feeding; and behaviour intervention techniques. Based on information collected during compliance inspections between June 2012 and December 2013, 5% to 11% of staff sampled did not have this training.

In addition to training, the Ministry requires a background check through the Canadian Police Information Centre (CPIC), including Vulnerable Sector Screening, before residential staff who provide direct care are hired. But the Ministry does not require staff to update their CPIC checks regularly to help ensure that they pose no risk to residents. Compliance inspections conducted between June 2012 and December 2013 identified 11% of service providers failing to document whether staff and volunteers had undergone a CPIC check. Further, only one of the agencies we visited required staff to get an updated CPIC check every five years.

## RECOMMENDATION 8

To help ensure that people applying for developmental services have their support needs properly assessed, and that those living in residences funded by the Ministry of Community and Social Services receive quality services, the Ministry should:

- ensure that all assessors and residential staff complete the required training; and
- ensure that all residential staff who provide direct care to residents undergo regular vulnerable sector screenings and Canadian Police Information Centre checks.

## MINISTRY RESPONSE

The Ministry established policy directives, which came into effect in July 2011, setting out

qualifications for assessors and service standards related to the completion of assessments of support needs. Since February 2011, the Ministry has delivered training and completed assessor qualification reviews for all assessors in the DSO offices. As of October 2014, DSO offices across the province employed over 90 active and qualified assessors, and according to ministry instructors, all assessors' qualifications are up-to-date.

The Ministry appreciates the finding and supports the recommendation regarding training for residential staff who provide support for individuals with developmental disabilities and will continue to closely monitor this area and put in place appropriate strategies.

A police record check, which includes a vulnerable sector screen, is required by the Quality Assurance Measures for all new staff members, volunteers and board members who have direct contact with persons with developmental disabilities. The Ministry supports these checks and the Auditor General's recommendation. The Ministry will assess the feasibility of requiring vulnerable sector screenings and Canadian Police Information Centre checks for agency staff on a regular basis.

## Oversight of Service Providers

### Governance and Accountability Process

Agencies are accountable to the Ministry for their prudent use of public funds. In turn, the Ministry must ensure that there are effective governance and accountability structures in place.

In 2012, the Ministry released a Transfer Payment Governance and Accountability Framework for community service providers. The framework refers providers to appropriate government directives for transfer-payment agencies, and outlines the accountability structures established by the Ministry as follows:

- expectations are clearly defined;

- the Ministry and service providers establish effective agreements;
- ongoing reporting and monitoring are done to determine whether agreed-upon results are achieved; and
- corrective action is taken if necessary.

### Ministry Oversight Relies Heavily on Agency Self-Assessments

The Ministry relies heavily on agency self-assessments but does not routinely seek independent verification that agencies comply with accountability directives for the broader public sector. It has adopted an agency risk-based oversight approach. For example:

- Agencies must complete a risk-assessment questionnaire every two years that determines their ability to meet service-delivery objectives. Ministry staff review these self-assessments and assign a risk rating for the agency. Where risks are identified, the Ministry requires the service provider to develop an action plan to mitigate those risks. The latest risk assessments available at the time of our fieldwork were completed in 2011/12. One agency was rated high-risk, three were identified as medium-risk, and the more than 200 remaining agencies were rated low-risk. We reviewed the action plans for those rated medium- and high-risk and noted that they had all provided action plans for the risks identified, although one agency provided inadequate detail. We also noted that 11 agencies had either not completed the risk-assessment questionnaire or used an earlier version of it, and were excused from submission at the Ministry's discretion.
- In our *2011 Annual Report* audit of Supportive Services for People with Disabilities, we recommended that the Ministry consider having the agencies' board chairs attest annually to complying with the Broader Public Sector Expenses Directive regarding travel,

meal and hospitality expenses. The Ministry implemented our recommendation and, starting with the 2011/12 fiscal year, requires all transfer-payment agencies receiving at least \$10 million in provincial funding to report annually on whether they have complied with the requirements of the *Broader Public Sector Accountability Act, 2010* and its directives regarding expenses, perquisites and procurement. Each agency must complete and return to the Ministry an annual attestation of compliance signed by both its chief executive officer and the chair of its board, and indicate the corrective action it will take for any issues of non-compliance. For the 2012/13 fiscal year, the Ministry received attestations of compliance from all developmental service agencies that were required to submit. We noted that 13% of these agencies indicated they were not in compliance with at least one requirement. The agencies in the three regions we visited all submitted action plans, but we noted that only two regions followed up to ensure that corrective action was taken.

In 2013, the Ministry's internal audit team examined travel, meal and hospitality expenditures at developmental service agencies, most of which provided residential services, and concluded that the Ministry needs to improve controls to ensure that agencies comply with the Broader Public Sector Expenses Directive.

The internal auditors found that one-third of sampled agencies that received more than \$10 million in funding and two-thirds of sampled agencies that received less than \$10 million in funding did not comply with the spirit of the directive. Internal audit also noted that although some regions took action to educate agency staff on governance, these actions were not implemented consistently across the regions. Accordingly, even though some board Chairs annually attest that their agencies are complying with the government's expenditure directives for the broader public sector, there was no assurance that all agencies are in compliance.

The Ministry does not involve itself in the day-to-day operations of the agencies it funds, so we enquired about the amount of direct ministry involvement with agency boards of directors. One of the three agencies we visited informed us that a ministry representative attends board meetings on a regular basis. That ministry representative told us that attending board meetings helps to understand agency operations, processes and decision-making, and provides an opportunity to tell the board about ministry direction regarding new initiatives and expectations around governance and accountability. For these reasons, we believe greater involvement by ministry staff at agency board meetings would be beneficial.

## RECOMMENDATION 9

To help ensure the prudent use of government funds, and improve agency governance and accountability processes, the Ministry of Community and Social Services should:

- ensure completion of all agency risk assessments;
- ensure completion of all action plans to correct deficiencies noted during risk assessments and annual attestation of compliance;
- conduct periodic independent verification to obtain assurance that agencies comply with the government's directives for the broader public sector; and
- encourage ministry staff to attend agency board meetings.

## MINISTRY RESPONSE

The Ministry appreciates the findings of the Auditor General and will work with service agencies to require completion of all risk assessments and confirm completion of all action plans to correct deficiencies.

The Ministry is revising its risk assessment process for all its service agencies in 2015/16 to further enhance accountability and oversight, and improve service agencies' compliance with

directives and policies for the broader public sector. This new model will include an independent risk assessment rating by ministry staff.

The Ministry is exploring the feasibility of including periodic independent verification to obtain assurance that a service agency has taken appropriate action to mitigate risk. To address agency non-compliance, the Ministry is working towards a more consistent approach in utilizing progressive escalation options based on ministry policy regarding sanctions.

Agencies are governed by independent boards of directors. As part of the regular transfer payment business process, ministry staff attend agency board meetings when it is appropriate. The Ministry recognizes the importance of communicating directly with boards of agencies on a regular basis and will ensure that this expectation is communicated to ministry staff. Over the past two months, the Ministry has hosted province-wide sessions with agency staff and boards of directors on the new Developmental Services Investment Strategy and on the ongoing transformation of the sector.

## Deficiencies in Monitoring Reporting Requirements

The Ministry has an annual service contract with each agency outlining the services to be provided, the amount of annual funding and the service-level targets to be achieved. Agencies must report quarterly on expenditures and service levels, and reconcile expenditures at year-end.

### Quarterly Reporting

To help hold agencies accountable for expenditures and service delivery during the year, the Ministry requires them to submit quarterly year-to-date reports comparing budgeted expenditures and service-level targets to actual results. Agencies must explain any significant variances.

Based on quarterly reports submitted in the 2012/13 fiscal year for a sample of agencies, we noted the following concerns:

- The Ministry does not have adequate procedures in place to verify the accuracy or reasonableness of the data received from agencies, which could lead the Ministry to make decisions based on unreliable data. For instance, we saw no evidence that the Ministry periodically verifies selected data against source records. This verification could be conducted during agency inspections. In addition, at two of the three regional offices we visited, ministry staff did not compare fourth-quarter year-to-date results to audited financial statements or the year-end reconciliation report; nor does the Ministry analyze the service-level data for reasonableness. As a result, we noted cases where data was missing or incorrect. For example, 23% of agencies reported more “resident days” than “bed days,” which is impossible because each resident requires a bed.
- As with the findings of our last audit in 2007, the information collected was not sufficiently detailed to allow useful analysis of program expenditures. We found that the Ministry does not collect information necessary to determine whether some or all of the agencies could provide the same services for less to more people. For example, the Ministry collects data on the number of people served during the reporting period by agency and by service type—information that by itself has little value. It would be more useful if the Ministry compared residences that are similar in type and capacity. The Ministry’s ability to analyze performance and service delivery is also hindered by the fact that the data submitted reflects residential services at the agency level, not at individual residences.

As part of a project in 2013 to examine unit costing and cost drivers, the Ministry’s consultant reported that data anomalies and quality issues affected its ability to analyze the information. For

example, the consultant raised concern about service-contract data irregularities such as the number of individuals served being too high or too low relative to the size of funding.

### Year-end Reconciliation Process of Limited Usefulness

In order to confirm whether Ministry funding was used for its intended purpose, agencies must submit audited financial statements, supplemental financial information segregated by service provided, and a reconciliation of agency spending with the amount of ministry funding provided. The process is intended to identify inappropriate or ineligible expenditures, and any surpluses to be recovered.

Based on our review, we made the following observations:

- The reconciliation did not provide enough information on the various costs of direct care. For instance, it provided the cost for staff training and programming, but not for food, nursing or personal-care staff.
- Overall, it was not possible to verify the breakdown of expenditures in the reconciliation reports because the audited financial statements and supplemental segregated financial information were not at the same level of detail.

## RECOMMENDATION 10

In order to better hold agencies accountable for the residential services they provide to people with developmental disabilities, the Ministry of Community and Social Services should:

- ensure that agencies submit all required data;
- periodically validate the accuracy of information submitted; and
- require that quarterly reports provide information for individual residences as well as for agencies, to enable better cost comparisons among entities providing similar services; and

- provide guidance on useful expenditure data to be included in the audited financial statements and supplemental segregated financial information.

## MINISTRY RESPONSE

The Ministry appreciates the findings of the Auditor General and acknowledges the importance of validating data submitted by service agencies for greater accountability and decision-making. The Ministry will take action to strengthen direction to ministry staff to ensure that agencies submit all required data and will periodically validate the accuracy of the information submitted.

The Ministry is enhancing service data integrity through implementation of data validation tools. Specifically, the 2014/15 budgeting package to be completed by service agencies has built-in validation rules to flag incomplete data. This tool will assist ministry staff to follow up with service agencies on the completeness of the budget. The tools are intended to identify data anomalies at both the agency and aggregate level.

The Ministry is also developing a business intelligence tool that will integrate data sets to identify trends, improve analysis and support decision making. The Ministry will continue to explore ways to improve the quarterly reporting process. In fall 2014, the Ministry began building internal capacity to enhance oversight and monitoring of the developmental services sector.

The Ministry supports the findings of the Auditor General and will consider what expenditure data is useful and should be included in the audited financial statements and supplemental segregated financial information.

## Serious Occurrence Reporting Needs Improvement

Residences must report all serious incidents—death, serious injury or abuse—to the Ministry in a defined sequence as follows:

- An initial notification report must be submitted to the regional ministry office within 24 hours of the service provider becoming aware of an incident or of deeming an incident to be serious, or within three hours of the service provider becoming aware of an incident if emergency services are required or the incident is likely to bring significant media attention.
- Within seven business days of the initial notification, an inquiry report must be submitted that details the current status and any further actions to be taken.

We tested a sample of serious occurrence reports submitted in 2013 in the three regions we visited, and noted that 18% of initial notification reports and 16% of inquiry reports were submitted late. However, all instances of alleged, witnessed or suspected abuse in our sample were reported to police immediately, as required. As well, the Ministry was immediately notified of the outcome of all missing-person incidents, as required.

Information from serious occurrence reports is entered manually into the Ministry's Serious Occurrence System, which has eight categories, as listed in **Figure 9**. The system combines all serious occurrences for developmental services, rather than breaking them down by residential and supportive services, so we extracted those incidents that occurred in Ministry-funded residences for our analysis.

In the six years from 2008 to 2013, we noted that the highest number of incidents reported across the province on average has been the use of physical restraints (48%), followed by complaints by or about a resident (27%). The categories that increased the most since 2008 were incidents of alleged abuse or mistreatment (92%), complaints

**Figure 9: Serious Occurrences at Residences for Adults with Developmental Disabilities, 2008–2013**

Calculated by the Office of the Auditor General using data from the Ministry of Community and Social Services

Nature of Serious Occurrence								% Change from	
	2008	2009	2010	2011	2012	2013	Average	%	2008 to 2013
Use of physical restraint	2,951	3,593	3,241	3,260	2,711	2,019	2,963	48	(32)
Complaint made by or about client	1,115	1,437	1,352	1,931	2,025	1,967	1,638	27	76
Serious injury	624	573	527	509	486	599	553	9	(4)
Complaints about service standards	368	387	383	332	291	197	326	5	(46)
Alleged abuse/mistreatment	235	221	245	393	367	451	319	5	92
Death	192	187	182	209	192	201	194	3	5
Missing client	77	116	124	131	146	123	120	2	60
Disaster on premises	73	66	41	65	51	78	62	1	7
<b>Total</b>	<b>5,635</b>	<b>6,580</b>	<b>6,095</b>	<b>6,830</b>	<b>6,269</b>	<b>5,635</b>	<b>6,174</b>	<b>100</b>	<b>0</b>

by or about a resident (76%), and missing persons (60%). We found no evidence of Ministry action to address either the high incidence of, or the increase in, certain types of occurrences.

Based on our review of serious occurrence reports, we identified issues that diminish the usefulness of the information. With respect to the Serious Occurrence System, for example, we noted problems with data accuracy as follows:

- The total number of serious occurrences reported for 2012 and 2013 was understated. In April 2014, for example, one regional office we visited had a huge backlog of more than 360 serious-occurrence notifications that had not yet been entered into the system. The Ministry's head office said it was unaware of this backlog.
- The System contained incomplete information for about 540 serious occurrences in 2012 and 690 in 2013.
- When an incident involves more than one resident, agencies sometimes submit separate reports for each resident involved, thus overstating the number of incidents.
- Some types of serious occurrences were reported in different categories. For instance,

medication errors that caused injury were reported in a separate sub-category under the "serious injury" category, while medication errors that didn't result in injury were reported in "complaints about service standards". This means the Ministry would be unable to identify those agencies with frequent medication errors, whether resulting in a serious injury or not, unless it read every serious occurrence reported under "complaints about service standards."

- Some of the serious occurrence categories are not detailed for meaningful trend analysis across agencies. For instance, the "complaints made by or about a client" category includes complaints relating to incidents as widely varied as hospital stays, behavioural problems and police interventions. Bundling such different causes for complaints into a single category makes it difficult to identify trends for specific issues and any corrective actions needed. We found no evidence that the Ministry's head office or regional offices perform any analysis of serious occurrence reports to identify anomalies and systemic issues, or to inform regional or head-office decision-making. For

example, service providers are required to submit annual summary reports to their regional ministry office. All three regions we visited collect the annual reports required from service agencies, but at two of the regions, there was no evidence of review, analysis, or reconciliation of the annual summary reports to the individual incidents reported during the year.

## RECOMMENDATION 11

In order to improve the usefulness of the serious occurrence reporting process, the Ministry of Community and Social Services should:

- ensure that serious occurrence reports are entered into its data system on a timely basis;
- refine the categories and promote consistent reporting;
- reconcile annual serious occurrence summary reports from service providers with occurrences reported throughout the year to ensure completeness; and
- analyze serious occurrences to identify anomalies and systemic issues, and to inform decision-making.

## MINISTRY RESPONSE

The Ministry took immediate steps to eliminate the backlog in entering serious occurrence reports identified by the Auditor General, and

will introduce ongoing monitoring to ensure that the system remains current.

In 2013, a multi-year, joint business improvement project was begun to identify common business practices and supporting processes across the three operations divisions in the Ministry and the Ministry of Children and Youth Services responsible for serious occurrence reporting. This work has already led to the development of proposed common reporting categories that will meet all legislated requirements and will simplify the reporting requirements and process for service agencies, while also promoting consistency. Reporting categories will be reviewed in the future and refined further if necessary. Once implemented, the revised business processes and practices will allow the ministries to further analyze serious occurrence reporting data that will better support decision making. Testing is targeted for 2015/16.

In the longer term, this work will include the integration of information that will enable the Ministry to reconcile annual serious occurrence reports from service agencies, and will increase its capability to analyze occurrences and to readily identify trends or anomalies.

The Ministry acknowledges that improvement is required in this area and will invest in staff to ensure that they have the required training and tools.

## Appendix—July 2014 Recommendations of the Select Committee on Developmental Services Most Relevant to Residential Services and Supports

Prepared by the Office of the Auditor General of Ontario

1. A new Inter-Ministerial Committee on Developmental Services (IMCDS) be created with the mandate of implementing the recommendations in this report.  
The Minister of Community and Social Services be answerable for the progress of the IMCDS and the implementation of the recommendations in this report. In addition to the Minister of Community and Social Services, the IMCDS be comprised of the ... [eight Ministers and the Attorney General].  
The IMCDS convene immediately and as its first task eliminate all waitlists for developmental services and supports within 12 months, and outline an achievable plan, including goals and timeframes, for the implementation of the other recommendations in this report.
- ...
3. As system navigators, the DSOs must work closely with youth developmental service providers so that young adults are seamlessly connected to transitional and long-term support before they age out of the school system.
4. As part of the realigned DSO mandate, the Quality Assurance Measures (QAM) include evaluations of efficiency and client-centred effectiveness, and a new mechanism be established for public reporting of regular Quality Assurance reviews.
- ...
7. The Ministry of Community and Social Services resolve operational issues with the provincial database immediately and provide appropriate training to DSO staff in use of the database.
8. Comprehensive data related to the demand for and provision of developmental services from across Ministries, DSOs, and service agencies be collected, harmonized, and shared within and beyond the sector.
9. The annual collection of data from the entire province (especially northern and remote communities) specifically include the following:
  - the number of adults with developmental disabilities;
  - the number of adults with a dual diagnosis;
  - the number of children with developmental disabilities;
  - the number of children with a dual diagnosis;
  - the length of waitlists for specific services and supports;
  - the number of people with developmental disabilities or dual diagnosis who are incarcerated;
  - the number of people with developmental disabilities inappropriately housed (for example, in hospital or long-term care beds);
  - the number of “abandonment” cases; and
  - the cultural and linguistic diversity needs of the province.
- ...
18. Best practices for staffing ratios in long-term care and group homes be evaluated to ensure the safety of residents and staff.
- ...
20. Capacity for providing care be built that meets the specific needs of dually diagnosed individuals through increased programs and services, and professional training of primary care, dental care, and direct service providers.
- ...
39. The recommendations from the *Ending the Wait*\* report be fast-tracked.
40. The Housing Task Force collaborate with the IMCDS, Infrastructure Ontario, municipalities across the province, and concerned individuals, families, and community groups.
41. The [Housing] Task Force begin work immediately to explore innovative, individualized, affordable, and flexible family- and community-led housing solutions for persons with developmental disabilities and/or a dual diagnosis, with a strong focus on the specific housing needs of older adults. This includes
  - a) developing both short-term and long-term supported housing models;
  - b) developing support and capital funding for purchase and ongoing maintenance of existing residences; and
  - c) developing successful pilot programs for supported housing.
- ...

\* *Ending the Wait: An Action Agenda to Address the Housing Crisis Confronting Ontario Adults with Developmental Disabilities* is a report that was released in September 2013 by the Housing Study Group, comprised of government policy planners and representatives from stakeholder groups.