Supportive Services for People with Disabilities

Follow-up to VFM Section 3.14, *2011 Annual Report*

Background

The Ministry of Community and Social Services (Ministry) funds a variety of supportive services programs to help people with developmental disabilities live at home, work in their communities and participate in a wide range of activities. In the 2012/13 fiscal year, the Ministry spent $561 million ($571 million in 2010/11) on such programs, including $422 million ($472 million in 2010/11) through approximately 390 contracts with transfer-payment agencies (412 in 2010/11) in nine regions that provided services to about 132,000 eligible people (134,000 in 2010/11). The Ministry-administered Special Services at Home (SSAH) program received $42 million to serve approximately 12,500 children (in 2010/11, it spent $99 million serving 24,000 families under a former program). As well, the Ministry spent over $96 million on its Passport program, serving over 15,300 adults.

In July 2011, as part of the Ministry's long-term Developmental Services Transformation project, the Ministry implemented a new process for people to apply for developmental services and supports. Nine Developmental Services Ontario organizations (DSOs) now serve as "single windows" for adults to apply for services and supports. As of April 1, 2012, Passport provides supports and services exclusively for adults, and SSAH provides supports and services exclusively for children and youth.

Agencies that receive transfer-payment funding provide or arrange for such services as assessment and counselling, speech and language therapy, behaviour intervention therapy and respite care. Agencies also administer the Passport program, which provides direct funding to families for community participation and caregiver respite for adults with a developmental disability and their family/caregiver. The SSAH program provides direct funding to eligible families for purchasing supports and services beyond those typically provided by families, and that are designed primarily to enhance personal development and provide family relief through respite care.

At the time of our *2011 Annual Report*, we found that many of the concerns noted in our audit of the program 15 years earlier still had not been satisfactorily addressed. The Ministry still did not have adequate assurance that its service-delivery agencies were providing an appropriate and consistent level of support in a cost-effective manner to people with developmental disabilities. The Ministry's oversight procedures were still not adequate to ensure that quality services were provided and that public funds were properly managed by transfer-payment agencies. Although the Ministry was in the midst of a comprehensive Developmental Services

Transformation project intended to address these and other areas, we found it would take several years for many of the issues we identified to be addressed effectively. Among our more significant findings were the following:

- In half the cases we reviewed, agencies lacked supporting documentation to adequately demonstrate a person's eligibility or needs. As a result, agencies could not demonstrate, and the Ministry could not assess, whether the individual was getting the appropriate level of service or was in need of additional support.
- The Ministry had not established acceptable standards of service or the necessary processes to properly monitor the quality of services provided. Consequently, it could not assess whether it was receiving value for money for the funding provided to community-based agencies. Ministry staff rarely visited agencies for these purposes.
- The Ministry was not aware of the number of people waiting for agency-based supportive services, information that was necessary for assessing unmet service needs.
- Although it would be reasonable to expect a consistent set of rules about what were appropriate services and, therefore, allowable expenditures under the Passport program, the Ministry had not set such rules. As a result, expenses for services that were reimbursed in one region were deemed ineligible for reimbursement in another.
- In practice, annual agency funding continued to be based primarily on historical rather than needs-based levels, exacerbating previous funding inequities. As a result, some hourly service costs appeared excessive, and the range of costs per hour for similar services varied widely across the province.
- The Ministry had little knowledge of whether the agencies it funded and their boards of directors had effective governance and control structures in place.

- As of March 31, 2011, there was a waiting list of almost 9,600 people who met the SSAH eligibility criteria but were still waiting for SSAH funding.

We made a number of recommendations for improvement and received commitment from the Ministry that it would make changes consistent with our recommendations.

Status of Actions Taken on Recommendations

The Ministry has made some progress in addressing all of the recommendations in our *2011 Annual Report*. For instance, the Ministry has clarified the definition of developmental disability and the criteria and documentation needed when applying for supports and services. It has also conducted site visits to agencies and Developmental Services Ontario organizations to assess their compliance with quality assurance measures and policy directive requirements. Our concerns with regard to the Passport guidelines and process of reimbursing expense claims have been partially addressed, but will require more time to be addressed fully. The status of actions taken on each of our recommendations at the time of our follow-up was as follows.

SERVICES PROVIDED BY TRANSFER-PAYMENT AGENCIES

Eligibility and Access to Services

Recommendation 1
To help ensure that eligibility is determined consistently and equitably across the province, and that individuals receive the appropriate support, the Ministry of Community and Social Services (Ministry) should provide guidance to agencies regarding the criteria and documentation required to demonstrate a person's eligibility and needs. The Ministry's regional offices, as part of their oversight responsibilities,

should then periodically review whether transfer-payment agencies are assessing people on a consistent basis and matching their needs to the most suitable available services.

Status

As noted in our *2011 Annual Report*, the Ministry implemented a new process in July 2011 for people applying for developmental services and supports. Nine Developmental Services Ontario organizations (DSOs) are now the "single windows" through which adults with developmental disabilities and their families apply for Ministry-funded services and supports. Eligibility criteria and documentation requirements were revised to promote consistent decisions for support across the province, and the new *Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act* (SIPDDA) includes a new definition of developmental disability.

The new eligibility criteria require that applicants provide their DSO with the following:

- an assessment or report, signed by a psychologist or psychological associate, that confirms they have a developmental disability;
- documentary proof, such as a copy of a passport or birth certificate, that they are 18 years of age or older; and
- documentary proof, such as a bank statement, utility bill or rental agreement, that they live in Ontario.

A new policy directive also outlines procedures to be used by DSOs to confirm applicant eligibility. The Ministry further engaged clinicians from the Centre for Addiction and Mental Health in June 2011 and May 2012 to develop and provide DSO staff with training on the new eligibility criteria. It also distributed guides, a checklist and other tools to support the DSOs in administering the new process.

Periodic reviews of the success in matching the most suitable services to the identified needs have not been implemented, but the process was under collective review by the Ministry and DSOs at the time of our follow-up. The Ministry has the authority under SIPPDA to complete compliance inspections for all Ministry-funded services and supports. However, inspectors currently verify compliance only with applicable legislation and policy requirements that outline the DSOs' role in confirming eligibility; they include no specific criteria related to matching services to needs.

The Ministry completed compliance inspections for all nine DSOs in 2012/13. We noted that no DSOs were found to be 100% compliant upon inspection, and the highest rate of non-compliance related to individuals' records. The Ministry informed us that 78% of the total non-compliance requirements had been addressed within 10 business days of the inspections, and all requirements had been met at all DSOs by June 2013.

The Ministry also informed us that service agencies are required to develop and annually update support plans for each individual receiving ministry services. The agency works with the individual to develop a support plan that includes strategies to reach their goals, and the services and supports that are needed to help execute those strategies. The Ministry inspected 370 transfer-payment agency sites (some agencies operate multiple sites) between June 1, 2012, and March 31, 2013, and found that more than half had compliance issues. At the time of our follow-up, many of these agencies were still addressing these issues.

Applicants for services and supports can request a review if they disagree with a DSO eligibility decision, and a new policy directive sets out the review process.

Quality of Services Provided

Recommendation 2

To ensure that services are appropriate, are of an acceptable standard, and represent value for the money spent, the Ministry of Community and Social Services should:

- *establish acceptable standards of service; and*

- *periodically evaluate the appropriateness and cost-effectiveness of the services provided by transfer-payment agencies.*

Status

As noted in our *2011 Annual Report*, the Ministry introduced a new regulation in January 2011 to establish more robust and consistent quality assurance standards for agencies. The regulation was intended to help evaluate the appropriateness and cost-effectiveness of the services being provided.

The Ministry developed additional policy directives for service agencies in November 2011 to address complaints and establish behavioural intervention strategies. The Ministry further updated policy directives for DSOs in August 2013. The directives are intended to help ensure consistent customer service levels across the province and, in the event of relocation, to help make it easier to transition between DSOs. The directives provide instructions for the DSOs on:

- the information they provide to the public and applicants about available supports and services, and the application process;
- confirming eligibility for supports and services for the first time;
- responding to questions and concerns about the application process or services provided;
- following consistent steps and using the same tools to assess all applicants using the Application Package; and
- reporting requirements to the Ministry.

As noted above, the Ministry recently inspected a number of service agencies and all of the DSOs in order to assess compliance with its quality assurance measures and policy directives. The Ministry informed us that it will continue to do regular compliance inspections and, as noted, the process of matching individuals to services and supports was under review at the time of our follow-up.

In January 2013, the Ministry also completed an evaluation of its Passport Mentoring Program for youth and young adults with developmental disabilities who are transitioning from school.

Review work included cost analysis, assessment of outcomes, eligibility determination and administration practices, and will continue into 2014.

The Ministry informed us that significant progress had been made on the sector-led Developmental Services (DS) Human Resources (HR) strategy, which aims to recruit and retain qualified professionals in the DS sector. Core competencies were identified for seven standard developmental services agency positions, and three training modules were developed to help staff understand and use them. By incorporating the required core competencies into HR hiring and screening processes, DS education and qualifications, and management feedback and coaching for staff, the strategy aims to ensure a well-trained and qualified workforce, which will result in quality support for people with developmental disabilities.

Lastly, the Ministry launched a project in 2012 to identify cost drivers in the developmental services sector. Based on new and existing financial and service data, the project is aimed at developing unit costs for Ministry-funded services and identifying variables that explain cost differences across the province. The final report on this project was expected in winter 2013–14.

Wait Lists

Recommendation 3

To help monitor and assess unmet service needs, and help allocate funding more equitably, the Ministry of Community and Social Services (Ministry) should work with agencies to ensure that they prepare and periodically forward to the Ministry accurate wait-list information on a consistent basis.

Status

Agencies no longer maintain wait lists because all individuals applying for supports and services now do so through the DSOs. The agencies report to the DSOs on their vacancies and the DSOs match eligible and prioritized individuals with available supports and services. In order to improve wait-list

information as well as system planning and forecasting, the Ministry is working to consolidate all information about individuals receiving or waiting for adult developmental services. This information will be moved into the Developmental Services Consolidated Information System (DSCIS) to provide a reliable count of all individuals currently on wait lists. Through the DSCIS, DSOs will be able to obtain wait-list reports, including one report that provides data on the number of individuals waiting for each type of funded adult developmental service. The information will be shared with community planning groups and transfer-payment agencies. The Ministry plans to complete this project later in 2013.

The Ministry informed us that it is developing a prioritization tool to ensure consistent processes across the province. This prioritization tool will use common risk factors to determine the immediacy of an individual's needs for services and/or supports. In December 2011, the Ministry issued interim guidelines to the agencies for regional prioritization for implementation by fall 2013. As well, the Ministry informed us that a funding entity will be created as part of the phased implementation of SIPDDA. While the Ministry will focus on policy setting and overall management of the program, the new entity will make funding decisions at the individual level, by prioritizing the supports, services and funding for each applicant deemed eligible under the Act. The timeline for the creation of this funding entity has not been determined.

At the time of our follow-up, the Ministry was developing a resource distribution model for distributing resources aimed at improving fairness and equity, as well as local accountability and flexibility. The Ministry was planning to engage with stakeholders beginning in fall 2013 to receive feedback and make further refinements to the model.

Lastly, the Ministry implemented a new Passport Mapping Tool in May 2013 to help Passport agencies maintain accurate wait lists and determine individual funding allocations. The tool helps Passport agencies use the application information collected by DSOs to identify the support needs of individuals referred to them. The DSOs transfer completed application packages to the Passport agencies on an ongoing basis so they have an updated list of individuals waiting for Passport services.

Passport Program

Recommendation 4

To ensure that families are being reimbursed only for the reasonable cost for eligible activities, the Ministry of Community and Social Services should clearly define what are eligible expenditures and ensure that agencies are approving and reimbursing expense claims on a consistent basis across the province.

Status

Between September and December 2012, the Ministry solicited stakeholder feedback on proposed changes to the Passport guidelines relating to the issues of eligible and ineligible expenses, respite, and accountability requirements. The Ministry informed us that it was considering the feedback and continuing consultations on a revised guideline. In the interim, an addendum effective July 1, 2013, was added to the Passport guidelines to make some program changes and provide some clarity and examples of eligible and ineligible expenses.

The key change in the addendum with respect to eligible expenditures was the addition of caregiver respite services and supports. Caregiver respite refers to services and supports provided to, or for the benefit of, a person with a developmental disability by someone other than the primary caregiver to give that primary caregiver some relief. Indirect respite refers to short-term arrangements that help the primary caregiver manage household and family responsibilities that are not directly related to caring for a person with a developmental disability. Indirect respite was not added as an eligible Passport expense. However, Passport agencies can pre-approve temporary use of Passport funds for indirect respite in extenuating circumstances.

There is a one-year grace period for adults who transitioned to Passport from SSAH before April 1, 2013, as indirect respite was an eligible expense under SSAH. As well, in extenuating circumstances, the Passport agency can approve the continued use of funds for indirect respite beyond the deadline for these individuals.

The Ministry added a "tip sheet" to its website to help individuals and families understand expenses that are now covered under Passport. The Ministry's July 2013 bulletin, *Spotlight on Transformation*, which was posted on its website and sent to stakeholders, also highlighted the changes.

We noted that during its consultation on the Passport guidelines, the Ministry proposed changes to accountability requirements, such as moving to quarterly reporting of expenses and/ or performing random or risk-based audits of invoices and receipts. However, the Ministry did not include any changes with respect to reviewing or reporting expenses in the addendum. The Ministry informed us that it will be undertaking additional consultations with stakeholders to develop policy and guidelines regarding admissible expenses and activities and accountability requirements.

MANAGEMENT AND CONTROL OF TRANSFER-PAYMENT CONTRACTS

Budget Submissions and Annual Service Contracts

Recommendation 5

To ensure that funding provided to transfer-payment agencies is commensurate with the value of services provided and that funding is primarily provided based on local needs, the Ministry of Community and Social Services should:

- *reassess its current budget submission, review and approval process and revise it to ensure that the approved funding to agencies is appropriate for the expected level of service; and*
- *analyze and compare the agency costs of similar programs across the province, and investigate significant variances that seem unjustified.*

Status

New Transfer Payment Reporting Standards were introduced in the 2012/13 fiscal year. The standards were intended both to meet the requirements of the legislation and to address our concerns by improving the Ministry's ability to compare agency costs of similar programs. The Ministry engaged some of its stakeholders to develop, oversee and deliver province-wide training of agencies in the DS sector on the new standards. Ministry staff, regional leads, program supervisors and agencies received this training in December 2012.

The new standards were introduced in two phases. In the first phase, to improve the consistency and accuracy of the information reported, the number of detail codes was reduced from 30 to 16, and definitions were clarified. In the second phase, the Ministry standardized the financial information collected through the service contracting process and the Transfer Payment Budget Package. The new standardized categories align with the Ministry's chart of accounts and are intended to improve consistency in expenditure reporting. Agencies can now only use the expenditure categories provided by the Ministry.

As noted earlier, the Ministry launched a project in 2012 to improve its ability to analyze and compare costs of services and enable it to investigate and explain variances from budget that seem unjustified. Unit costing work at the agency level was completed in March 2013 and an interim report was provided to the Ministry in April 2013. The Ministry expects the final report in winter 2013–14.

At the time of our 2011 audit, the Ministry was developing a new funding-allocation model to improve transparency and equity in the allocation of funds. The goal was to distribute resources based on individuals' assessed needs using consistent criteria. Under the new model, each individual will have a unique and portable budget, and will be able to purchase the services that offer the greatest value and best meet his or her needs. Work on the new model is still ongoing, with the Ministry planning to hold

stakeholder discussions before starting pilot testing late in the 2013/14 fiscal year.

Ministry Oversight and Control

Recommendation 6

To ensure adequate oversight of transfer-payment agencies and to improve accountability within the supportive services program, the Ministry of Community and Social Services should:

- *review all agency quarterly reports and year-end TPAR [Transfer Payment Annual Reconciliation report] submissions for unusual or unexplained variances from previous years and from contractual agreements, and follow up on all significant variances;*
- *perform spot audits on agencies to validate the information provided in the quarterly reports and TPAR submissions; and*
- *assess whether each regional office has the level of financial expertise required, and, where lacking, determine the best way of acquiring this expertise.*

Status

The new Transfer Payment Reporting Standards discussed earlier are intended to enhance the Ministry's ability to assess value for money and to investigate significant variances. The Ministry has implemented two new transfer-payment frameworks—one for ministry staff and the other for service agencies—that were being developed at the time of our *2011 Annual Report*. The frameworks consolidate the Ministry's existing business practices and its requirements for appropriate management of government funds.

The Ministry indicated that as part of its compliance program, discussed earlier, inspectors verify compliance with quality assurance measures and the Policy Directives for Service Agencies. This includes reviewing financial records. However, the inspectors do not validate quarterly reports or Transfer Payment Annual Reconciliation report submissions; these are reviewed by staff in regional offices. As well, agencies are notified in advance of the compliance inspections; this is not consistent with our recommendation to implement spot audits.

Annual in-class and online training sessions are provided each year to inform agencies about changes to the Transfer Payment Budget Package and any new reporting requirements. Ministry and agency staff are invited to participate, and the training material is accessible online. However, actual participation is poorly tracked.

The Ministry annually reviews its agencies' reporting policies; however, there have been no significant changes since the time of our audit. Agencies are still required to self-identify variances from budget in their quarterly and annual reports and to submit a variance report to the regional office.

With respect to our recommendation about reviewing the level of financial expertise among staff at regional offices, managers develop learning plans for all staff as part of their annual performance planning and review cycle. Employees work with their manager to identify training needs and goals and develop appropriate plans for the year to reach them. As well, staff are trained on the Ministry's information system, which manages financial and service information related to transfer-payment agencies, and on a web-based application that develops reports. Although no new initiatives have been undertaken to address this aspect of our recommendation, the Ministry is reviewing and improving the current training model and updating its online training modules to build capacity in the regions.

Governance and Accountability

Recommendation 7

To ensure that agencies have the capabilities to properly administer the spending of public funds, the Ministry of Community and Social Services should encourage the regional offices to play a more hands-on role in ensuring that agencies have appropriate expertise and governance structures and accountability

processes, including those smaller agencies that receive less funding but may have more difficulty maintaining proper financial controls.

Status

Following an internal review of risk-assessment processes, the Ministry introduced a revised Risk Assessment Methodology and Tools in fall 2011 to strengthen oversight, governance and accountability while attempting to control costs by focusing on areas of higher risk. Key changes included:

- Business cycle: High-risk agencies would now be reviewed by the Ministry every 12 months instead of every six months, and low-risk agencies would be reviewed every 24 months instead of every 18 months. Mid-way reviews were added to the review schedule and a firm timeline was created to ensure assessments would be complete before annual contracting decisions were made.
- Risk Dimension and Weighting: The available responses on the risk assessment were expanded and questions were streamlined to improve comparability.
- Risk Mitigation Strategy: Risk mitigation was integrated into the risk assessment. For each medium or high risk identified, agencies must develop a mitigation strategy to reduce the likelihood or severity of that risk.
- Risk-Rating Scale: The number of factors that determine risk ratings was expanded.
- Business Process and Tool Usability: The process for agencies that receive funding from multiple ministries or regions was formalized, and full assessments for new service providers were added.

The Ministry introduced the new methodology and tools through teleconference and online sessions. It also trained a number of managers and regional leads who then facilitated training sessions for regional staff and service providers. Training and implementation were completed by December 2011.

As noted earlier, the Ministry was at the time of our *2011 Annual Report* working on two Transfer Payment Governance and Accountability Frameworks—one for staff and the other for agencies. The frameworks consolidated the Ministry's existing business practices and expectations into two documents. The Ministry's framework consolidated all of the Ministry's business practices and tools for transfer-payment oversight. The service-provider framework focused on what agencies must do to meet ministry governance and accountability requirements. Both frameworks were implemented in March 2012. Regional directors were tasked with disseminating and discussing the Ministry's expectations, as outlined in the framework, during regular budget negotiations and planning meetings in spring 2012.

With respect to our recommendation about ensuring that agencies have appropriate expertise and governance structures, the ongoing human-resources efforts and core-competencies strategy will help agencies recruit and retain qualified professionals. To date, the main focus of the strategy has been on improving the competencies of direct support staff. However, core competencies have also been identified for executive directors, and this information was shared with all regional offices, and executive directors and boards of directors of all DS agencies. The agencies are encouraged to use this information when hiring, setting performance expectations or reviewing performance. The Ministry indicated the sector had also developed a core competencies "dictionary" to establish a common language for performance expectations and benchmarks for hiring, learning and development. As well, the Ministry is continuing to contribute annual funding to a leadership program at Queen's University for executive directors and other leadership positions.

SPECIAL SERVICES AT HOME (SSAH)

SSAH Reimbursements

Recommendation 8

To ensure that Special Services at Home (SSAH) reimbursements to families are consistently made only for legitimate and eligible expenses, the Ministry of Community and Social Services (Ministry) should establish and communicate clear criteria for what constitutes an eligible expense.

In addition, the Ministry and agencies that administer SSAH funding should obtain sufficiently detailed invoices—and, where applicable, receipts—to ensure that the amounts claimed are in fact eligible and reasonable before funds are disbursed.

Status

As noted previously, Special Services at Home (SSAH) serve only children and youth as of April 1, 2012, and all adults seeking direct funding support must apply through the DSOs for direct funding under the Passport program. The scope of our *2011 Annual Report* was limited to supportive services for adults with disabilities; however, we noted that the Ministry updated the SSAH invoice template and "Managing your Funding" guide in December 2011 to require more detailed expense submissions. The invoice template now requires information about the type of service and/or program that was provided, and a separate invoice must be submitted for each worker. A reminder was added to the guide about eligible expenses and the sign-off section was amended to clarify the accountability requirements for the individual submitting the claim and for the support worker who provided the service. The new guide was distributed to all 2011/12 SSAH recipients young enough to be eligible for SSAH during 2012/13. The Ministry indicated that all SSAH invoices are approved by ministry staff prior to disbursement.

The Passport reimbursement process has not been revised since our *2011 Annual Report*. The Ministry provides Passport agencies with a sample invoice template, which has been updated to reflect the addition of respite to the Passport guidelines. Passport agencies are not required to use the template provided by the Ministry, and may create their own invoice for individuals and families to submit receipts. Passport agencies set their own policies and practices for reimbursing individuals and families for eligible expenses. The Ministry does not prescribe how or when Passport agencies reimburse individuals and families, but it does hold agencies accountable to its transfer-payment standards and requirements. The criteria for Passport's eligible expenses and the approval of expenditures were addressed earlier in this section.

OTHER MATTERS

Travel, Meal and Hospitality Expenditures

Recommendation 9

To help ensure that all agencies that are required to do so implement the government's new directive on travel, meal and hospitality expenses, and that all other agencies follow the spirit of the directive, the Ministry of Community and Social Services should reinforce the requirements to do so and consider having the agencies' board chairs annually attest to such compliance.

Status

Compliance reporting is required of all agencies receiving $10 million or more in transfer-payment funding, in accordance with the *Broader Public Sector Accountability Act, 2010* (BPS Act). The Ministry provided its regional directors with a template letter for distribution to those agencies affected by the requirements. The letter outlined the new reporting requirements, including the deadlines for compliance, and links were provided to online versions of the BPS Act and its associated directives.

Agency compliance reporting consists primarily of an annual attestation of compliance signed by the chief executive officer or equivalent, and by the chair of the board of directors. The attestation form requires each agency to report whether it is in compliance with nine requirements set out in the

BPS Act or its directives. One of these requirements is that the organization manage its travel, meal and hospitality expenses according to policies that comply with the Broader Public Sector Expenses Directive. For any issues of non-compliance, the agency is required to report on the corrective action that it will take. The Ministry distributes this attestation form along with the Transfer Payment Budget Package every February. Agencies were first required to return the compliance forms to their regional office in June 2012.

The Ministry informed us that it communicated the requirements of the BPS Act to those agencies that are required to comply with it. As well, it encouraged other agencies to voluntarily comply with it.

The Internal Audit Division recently launched a review of the actions that the Ministry has taken to address our recommendations relating to travel, meal and hospitality expenditures. A report was expected later in 2013.

The Ministry expects that the revised risk-assessment process discussed earlier will help improve program management and mitigate risks. The risk-assessment documentation includes a section related to the implementation of policies consistent with the Broader Public Sector Expenses Directive. This section requires an assessment of, among other things, whether the agency has and makes use of financial policies and procedures covering procurement, meals/hospitality and travel; whether cheque authorization and expenditure approvals are independent; and whether financial oversight responsibilities are segregated to reduce the risk of errors or irregularities going undetected. The Ministry completed risk assessments of all transfer-payment agencies in the developmental services sector between November 2011 and January 2012.

SSAH Program Administration

Recommendation 10

Given the similarities in overall staffing levels at the regional offices dedicated to the Special Services at Home (SSAH) program, the Ministry of Community and Social Services should assess the need for the additional administration costs being paid out to agencies and ensure that all costs incurred are reasonable and necessary.

Status

At the time of our follow-up, the Ministry had reviewed the administrative models of SSAH and Passport as part of the transition to a single direct-funding program. The review considered the type and level of administrative support offered to families transitioning from SSAH to Passport in the fiscal year 2012/13 and the source of administrative funding for agencies. The review identified strategies to reduce the provincial variations in administration costs and to increase cost effectiveness. The Ministry established one common formula for funding administration costs for all Passport agencies: it is now determined as a percentage of the total annual funding of each Passport agency. Passport agencies are no longer required to determine program eligibility, assist applicants in the completion of a Passport application, or interview program applicants. The new formula reflects this new role.

As part of this transition, the Ministry worked with regional offices to develop transition strategies and timelines that would help implement the new formula and minimize its impact on families and individuals. Three regional offices requested and received one-time additional funding during the transition year to support service or transition co-ordinators, to provide workshops and training for recipients, and to maintain existing HR and administrative supports.

The Ministry has not reviewed or changed the administration funding for SSAH.