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RATE INCREASE IN THE DOMICILIARY AND EMERGENCY HOSTEL PROGRAMS

The Community Services and Housing Committee recommends that:

- 1. Recommendation Nos. 1, 2 and 4 be adopted**
- 2. Recommendation No. 3 be considered as part of the 2005 budget deliberations**

1. RECOMMENDATIONS

It is recommended that:

1. York Region increase the per diem paid to domiciliary and emergency hostel operators by 3%, cost-shared 80:20 with the Province, effective July 1, 2004.
2. York Region increases the monthly Personal Needs Allowance for eligible residents of domiciliary and emergency hostels by 3%, cost-shared 80:20 with the Province, effective July 1, 2004.
3. York Region implement an additional incentive allowance per diem increase for domiciliary hostel operators, of up to \$1.80, to improve the quality of life for residents of these hostels effective December 1, 2004.
4. Staff make all necessary revisions to Per Diem Agreements to effect these increases.

2. PURPOSE

The purpose of this report is to seek Council approval to implement the Province's decision to increase by 3% both the maximum per diem paid to domiciliary and emergency hostel operators and the monthly Personal Needs Allowance (PNA) for eligible residents of domiciliary and emergency hostels.

In addition, the report seeks Council approval to implement an incentive plan for domiciliary hostel operators, including an additional per diem increase of up to \$1.80, in order to improve the quality of life for residents of domiciliary hostels.

3. BACKGROUND

The Region administers both the domiciliary hostel and emergency hostel per diem through Per Diem Agreements with 26 domiciliary hostels and 3 emergency hostels.

3.1 Operating Per Diem

The Province approved a 3% increase to the per diem paid to domiciliary and emergency hostel operators. The Province approved this increase in response to the fact that, at the current per diem rate, operators are finding it increasingly difficult to provide for basic care needs of vulnerable persons who require residence in a supervised setting.

- \$1.20 increase to the per diem for domiciliary hostel operators, increasing their per diem to \$41.20,
- \$1.15 increase to the per diem for emergency hostel operators, increasing their per diem to \$39.15.

3.2 Personal Needs Allowance (PNA)

The PNA is provided to domiciliary and emergency hostel residents to cover their personal expenses. While the cost of living has increased over the last 10 years, the PNA allowance has remained the same at \$112 per month, making it difficult for eligible residents to purchase items for their personal use. The Province has approved a 3% increase to the PNA to \$115.36 in order to provide eligible residents of domiciliary and emergency hostels with additional money to address their personal expense needs.

3.3 Quality of Life Incentive Allowance

The Province has also approved a 3% per diem increase for Homes for Special Care (HSC) operators, increasing their per diem to \$41.20. This program is administered and licensed by the Ministry of Health. HSC operators also receive up to \$50.00 per month, per resident (\$1.80 per day) to fund quality of life activities and supports, e.g. crafts, community programs, bowling, hobbies, recreation and involvement by support agencies. This extra \$1.80 per day has never been part of the Region's per diem payment to operators.

4. ANALYSIS AND OPTIONS

4.1 3% Per Diem and PNA Increases

The increases will support the financial viability of operators who provide basic care needs for those vulnerable persons who require residence in a domiciliary or emergency shelter.

The total cost of implementing the 3% per diem and PNA increases in 2004 is \$75,190. The net cost to York Region is \$15,038. These costs will be cost shared with the Province and the net cost will be managed within the Department's 2004 Approved Budget.

The cost increases for 2005 of \$150,380 will be cost shared with the province and will be addressed through the Department's 2005 Budget Request.

4.2 Quality of Life Incentive Allowance

York Region recognizes the value of quality of life activities and supports their implementation.

Domiciliary hostel operators are finding it increasingly difficult to provide for both basic care needs and quality of life activities and supports for vulnerable residents.

HSC operators receive the equivalent of \$1.80 per day, per resident, from the province for quality of life activities and supports, e.g. crafts, bowling, hobbies, recreation, community programs and involvement by support agencies. York Region does not currently provide the same incentive to domiciliary hostel operators.

An additional incentive of up to \$1.80 over and above the 3% (\$1.20) provincially approved increase will result in a per diem of \$43.00. This incentive increase will support operators in providing quality of life activities for domiciliary hostel residents. It will also ensure that where an operator has both HSC and domiciliary hostel residents, they will receive equitable treatment with regard to quality of life activities.

4.2.1 Conditions of Eligibility

In order to receive the Quality of Life Incentive Allowance operators will be required to submit an annual Quality of Life Activity Plan for domiciliary hostel residents to York Region for review and approval. York Region Licensing and Program staff will monitor the ongoing implementation of the Plan. York Region staff will also review opportunities for Ontario Residential Care Accreditation and peer review with operators.

Payment of the Incentive Allowance to operators will be conditional on them implementing and maintaining an approved Quality of Life Activity Plan. If through monitoring and enforcement activities, it is observed that an operator is not meeting the requirements of the Plan then their Incentive Allowance will be terminated.

The total cost to York Region of implementing the Quality of Life Incentive Allowance in 2004 is \$17,300. The cost will be managed within the Department's 2004 Approved Budget. The cost increase for 2005 of \$207,600 will be addressed through the Department's 2005 Budget Request.

4.3 Relationship to Vision 2026

This program supports the following action areas of Vision 2026:

- Being responsive to the needs of vulnerable residents.
- Addressing homelessness and developing homelessness prevention programs.
- Addressing the need for shelter.

5. FINANCIAL IMPLICATIONS

There are currently sufficient funds available under the 2004 Budget Approvals for these programs to accommodate the increases to the per diem and PNA, for domiciliary and emergency hostels and the incentive allowance for domiciliary hostels.

The cost increases for 2005 will be addressed through the Department's 2005 Budget Request.

6. LOCAL MUNICIPAL IMPACT

Implementing the Provincially approved 3% increases to domiciliary hostel and emergency hostel per diems and PNA, and approving the Quality of Life Incentive funding provides appropriate additional levels of funding to domiciliary hostel operators, and supports the provision of quality care for a vulnerable group of York Region residents. Without this program, many of these residents would become homeless which, in turn, has a negative effect on local communities.

7. CONCLUSION

Provision of the increases to per diems, PNA for domiciliary and emergency hostel operators and residents, and an additional incentive increase of \$1.80 to provide quality of life activities and supports for domiciliary hostels residents, will have a positive impact on the level of care provided to vulnerable residents in York Region.

The Senior Management Group has reviewed this report.