



## Homecare Privatization in Crisis

Compulsory contracting out of homecare services was introduced by the Mike Harris Conservative government in the mid-1990s. Unlike public hospitals, which directly provide health care services, Community Care Access Centres (CCACs) are **required to contract out homecare services**. This was part of a drive by transnational corporations to skim profits from public health care dollars, a drive that has now moved into other health care sectors.

The results have been extremely negative.

- **Insecure employment and bad working conditions.** Benefits and pensions are very weak in the homecare sector, especially when compared to other health care sub-sectors. A Ministry of Health and LTC study found that average wages for Personal Support Workers (a major homecare occupation) were approximately \$12 per hour. That's about **\$6 an hour less** than what they would earn in a hospital or LTC facility. The government's response was to increase the PSW minimum wage to \$12.50 an hour
- **Casual work runs rampant in the industry.** Working hours are unpredictable and irregular. It's so bad that the government was looking into requiring by 2011 that 10% of the services be provided by employees working an average of at least 30 hours per week. But even this *goal* is very unattractive.

The message to homecare workers is clear: get out of homecare. The consequences for homecare patients are just as bad.

- For patients and their families, competitive bidding has meant **a lack of continuity of care**. Given the poor work conditions, staff turnover is very high. A Ministry of Health and LTC study found that **57%** of the homecare workers surveyed changed jobs over a 12 month period. As well, homecare providers lose contract bids, and workers, who have no successor rights, are laid off. No industry, let alone a vital industry like health care, can sustain this sort of turnover and provide excellent service. Especially as the government sees homecare as the future of health care.
- **Private, for-profit corporations** have displaced many not-for-profit homecare providers like the Victorian Order of Nurses (VON).

- **Providers have become secretive**, forced to hide their best ideas from their 'competitors' for fear of losing the next contract to them. Instead of an integrated health care system (which the government claims it wants) this model has led to **fragmentation**.
- Despite lousy working conditions, **the price to the province for homecare services actually went up** after competitive bidding was introduced. And price increases meant a sharp reduction in services.

The problems with competitive bidding became so severe that the government was forced to suspend the contracting out process at the end of 2004. But the Liberal government never gave up on privatization. Instead they brought back this model in late 2007, with only minor changes.

But this proved to be a disaster too. Right after the contracting system was re-started, public outrage exploded over the loss of care by not-for-profit providers in Hamilton.

The Liberal government was forced to suspend the contracting out process for the second time across the province – **but, again, only temporarily**. After more delays, many contracts are now set to expire March 31, 2010. If the government does proceed with a new round of contracting out, it will be **over five years since the contracting system has been suspended**.

That is one very long crisis.

**We cannot let the disaster of commercialized home care continue.** Health Minister Deb Matthews claims cuts in hospital services will be offset by improvements in home care. But commercialized home care has not even been able to support existing services for the last five years, never mind bear extra weight.

Corporations want to bring commercialization into other health care sectors to skim profits from public health care dollars. Stopping commercialization here will stop the spread into other health care sectors and social services.

It's time for the government to reflect, rethink, and above all retool homecare. We cannot simply fine tune the contracting system one more time, by adding this or that minor reform. Instead we have to build a public, not for profit system.

Other provinces have much better, public, not-for-profit homecare systems. We need a considered review to develop the best homecare system, one that goes beyond the previous Liberal government's attempt to fine tune contracting out and builds a public, not-for-profit homecare system.

The government needs to hear from workers, patients, not-for-profit providers, and family members. **As a first step the government should extend the moratorium on a new round of contract bids and launch cross-province public hearings on the**

**redesign of homecare in the province.** Below are CUPE's initial thoughts on an appropriate model.

## **CUPE Homecare principles**

Homecare must operate under the principles of the Canada Health Act. Quality must be foremost. In addition to the current government focus on using homecare for post-hospital care, homecare should provide continuing care for persons with disabilities or chronic illnesses (including mental illnesses). Care should provide dignified lives for care recipients and dignified employment for workers in the homecare system.

Homecare must not be a cheap way to replace facility based services, or be used to cut wages or download care to unpaid caregivers. Appropriate homecare is a public good, not a commodity bought and sold for profit.

Homecare must be of the highest quality. It must be universal, comprehensive, accessible and provided by not-for-profit organizations. The local bodies providing homecare should be democratic organizations with local community governance. They must incorporate diversity.

Homecare should be integrated into the continuum of health care services, and have enforceable, high quality standards. Homecare must be treated equally to the rest of the health care system.

### **Immediate steps**

- Stop competitive bidding. Competitive bidding diverts tremendous resources from care into marketing, administration, profit-taking and redundancy.
- Stop for-profit delivery of homecare by building high quality, community-controlled, integrated, not-for-profit delivery. Fourteen years of expanded for-profit care has created instability and removed resources from care giving.
- Repeal directives requiring the CCACs to divest direct care and allow CCACs to hire direct care staff. Move to a system where at least 50% of services are provided directly by the CCAC to set a high standard of quality care.
- Establish a granting fund for non-profit agency pilot projects. These pilot projects would provide program innovation and meet specific local community needs that would:
  - improve access and services for ethno-cultural and marginalized communities.
  - fill service gaps and emerging needs.
  - promote health and prevent unnecessary hospitalization or institutionalization.
- Establish terms of employment that are equal to other health sectors (i.e. at the hospital standard). Equitable working conditions must include standardized wages and benefits, pay equity, paid sick leave, pension benefits, employment security and guaranteed hours of work. The continuity of care relies upon a stable workforce, which, in turn, depends upon fair employment conditions.

- Restore democratic community governance of homecare services.
- Fund homecare to meet population need for services, including supportive care to allow seniors to age at home and persons with disabilities or chronic illnesses to live in the community.
- Ensure that culturally sensitive services are accessible on an equitable basis.
- Establish clear and enforceable whistle-blower protection for staff and care recipients.
- Establish strong protections of public access to information.
- Establish a clear complaints system and a pro-active evaluation system for homecare under the Long Term Care Ombudsperson.
- Establish a code of respect for homecare, including rights to access democratic, local control of services, rights to dignified working conditions, wage parity with health institutions (i.e. hospitals), job security, and (when necessary) successor rights.

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