

# Chapter 3

## Health and Wellness and Nova Scotia Health Authority: Managing Home Care Support Contracts



### Overall Conclusion:

- The department has not addressed weaknesses known to exist since 2008
- There are weaknesses in monitoring provider performance and payments
- There is a documented approach to home support funding

### Why we did this audit:

- Home care helps 30,000 Nova Scotians stay in their homes
- Home support is an important part of the care continuum
- Approximately \$140 million is spent each year on home support
- Nova Scotians expect quality health care

### What we found in our audit:

- By not fully addressing previous audit recommendations, long-standing issues remain
- Department did not verify provider service hours, increasing the risk for fraud or error
- Department did not verify user fees collected by one provider, risking overpayments
- By not monitoring the performance of providers, issues may go unresolved
- Department and health authority did not maintain a record of client complaints and cannot be certain issues are addressed
- Roles and responsibilities are clearly defined and communicated
- Department does not monitor whether health authority is fulfilling its roles related to home care
- Department and health authority developed standard performance indicators to monitor home support providers
- Department has a documented, defined approach to funding home support



## Recommendations at a Glance

### **Recommendation 3.1**

The Department of Health and Wellness and the Nova Scotia Health Authority should establish processes to complete all recommendations made by the Office of the Auditor General.

### **Recommendation 3.2**

The Department of Health and Wellness and the Nova Scotia Health Authority should put a process in place to verify the accuracy of reporting from home support providers. Reported hours, performance indicators, and statistical reporting should be included in the verification process.

### **Recommendation 3.3**

The Department of Health and Wellness should rely on the user fee amount as reported in audited financial statements when completing the annual reconciliation, or verify the accuracy of provider-reported user fees using another process.

### **Recommendation 3.4**

The Department of Health and Wellness and the Nova Scotia Health Authority should monitor home support provider compliance with contract terms and performance issues on a regular basis.

### **Recommendation 3.5**

The Department of Health and Wellness and the Nova Scotia Health Authority should maintain an integrated record of home support complaints received, including their outcome.

### **Recommendation 3.6**

The Department of Health and Wellness and the Nova Scotia Health Authority should regularly monitor and evaluate service provider performance using the key performance indicators.

### **Recommendation 3.7**

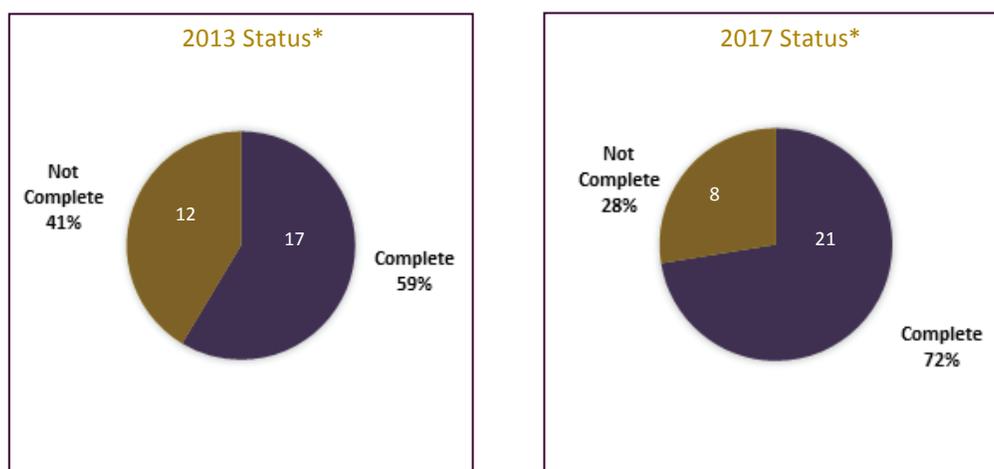
The Department of Health and Wellness should regularly monitor whether the Nova Scotia Health Authority is meeting its home care responsibilities.

# 3 Health and Wellness and Nova Scotia Health Authority: Managing Home Care Support Contracts

## Follow up of 2008 Recommendations

### ➔ Health and Wellness has not addressed known weaknesses

- 3.1 Our last audit of Home Care was in November 2008. We identified a significant number of weaknesses and areas for improvement and recommended the Department of Health and Wellness address these issues. When we last followed up on the recommendations in May 2013, 12 (41%) recommendations were assessed as not complete. In this audit of home support, we determined if department management had completed those recommendations.
- 3.2 The department did not complete 8 of the 12 recommendations that were not complete four years ago. We expected to see all remaining recommendations completed, as we made the recommendations nearly ten years ago. We are very disappointed by this performance, and expect management and government to take a stronger oversight role in ensuring all our recommendations are implemented.



\* One recommendation from November 2008 was assessed as two for follow-up purposes, resulting in 29 total recommendations

- 3.3 Failure to address our recommendations has left the province exposed to the following known weaknesses:
- not knowing whether the availability of health professionals will be a limiting factor in meeting future home care demand;



- not having a quality assurance process to make sure the Nova Scotia Health Authority is making appropriate assessment decisions, and policies and procedures are followed and appropriately documented; and
- not knowing whether hours reported by service providers are accurate and complete.

3.4 Complete details about the status of the 12 recommendations are shown in Appendix I.

3.5 The Department of Health and Wellness was solely responsible for home care at the time of our previous audit. In 2009, responsibility for parts of the home care program started transitioning to the nine former district health authorities; however, responsibility for completing the recommendations remained with the department. In spring 2015, the health authorities merged into one provincial health authority. These operational changes resulted in the health authority having a role in completing the recommendations; however, responsibility to complete the recommendations was not transferred. This highlights the importance for organizations to have processes to complete all recommendations made by our Office.

### **Recommendation 3.1**

The Department of Health and Wellness and the Nova Scotia Health Authority should establish processes to complete all recommendations made by the Office of the Auditor General.

***Health and Wellness Response:** The Department of Health and Wellness agrees with this recommendation. A process for monitoring the completion of recommendations from previous audits and the current audit will be developed and implemented by Spring 2018. The respective roles and responsibilities of the Department of Health and Wellness and the Nova Scotia Health Authority will be considered in this process.*

***Nova Scotia Health Authority Response:** Nova Scotia Health Authority agrees with this recommendation and has established processes to provide the Office of the Auditor General with regular status updates on progress towards completion of recommendations. NSHA will establish processes to support completion of the recommendations made in the Managing Home Care Support Contracts Audit and would be pleased to collaborate with Department of Health and Wellness in ensuring that any recommendations from previous audits of continuing care are completed.*

## **Contract Management**

3.6 The department and the health authority share responsibility for the home support program. The department is responsible for setting hourly funding rates, reviewing hours reported by service providers, and paying providers.



The department also audits service providers for compliance with home care standards. The health authority is responsible for service delivery, including assessing and authorizing clients for home support, and reviewing monthly invoices of for-profit providers before forwarding the invoices to the department for payment. The department and the health authority share responsibility for managing client complaints and issues with provider performance.

- 3.7 We noted the separation of funding and service delivery responsibilities is unusual because these two functions are often linked. For example, changes to funding may impact the services delivered, or significant performance issues may require funding be held back until the issue is addressed. Health authority management indicated the separation of responsibilities creates complexities in working with providers, and the department and the health authority should jointly plan for the alignment of these responsibilities.



#### **No verification of reported service hours**

- 3.8 Neither the department nor the health authority verified the accuracy of hours billed by service providers, nor confirm if services had been delivered prior to issuing payments. The department and the health authority relied on the information reported by service providers without verifying that the information was complete and accurate. This could result in the department paying providers for services not provided to clients.
- 3.9 This issue was brought to the department's attention in October 2016 when a fraud risk assessment was completed on the department's continuing care and financial services branch. The assessment identified this as an area of high risk of fraud, yet at the time of our audit, the department had not put controls in place to verify the accuracy of hours reported. The department monitors budgeted to actual service hours; however, this would not identify instances of a provider overbilling care hours. With approximately \$140 million in home support expenses, we expected the department to have addressed this risk.
- 3.10 Not-for-profit and for-profit service providers report their monthly service hours differently. The fifteen not-for-profit providers report their cumulative service hours each month. The five for-profit providers submit their hours in an itemized invoice by client including hours authorized and hours delivered. We identified weaknesses in both payment practices.
- 3.11 The department requires not-for-profit providers to submit supporting documentation from their time tracking system, detailing their service hours each month; however, this process was not consistently followed. Department staff did not obtain the required support for 10 of the 16 payments we examined. They also did not verify the accuracy of the supporting



documentation, increasing the risk that service providers could be paid for services not provided to clients.

- 3.12 For-profit home support providers submit monthly invoices to the health authority. Health authority staff review the invoice for accuracy prior to forwarding it to the department for payment, but health authority staff told us there is no standard process for reconciling the invoices. In the past, they performed spot checks, but these were not required. The lack of a consistent review process increases the risk that providers could be paid for services not provided.



### No verification of home support provider reporting

- 3.13 Neither department nor health authority staff verified the accuracy of reporting against key performance indicators and statistical information submitted by service providers. Key performance indicators are discussed later in this chapter. Without some type of verification, providers could report favorable performance to avoid penalties. Also, providers may not calculate statistical information in accordance with department standards, resulting in inaccurate information being used for decision making.

### Recommendation 3.2

The Department of Health and Wellness and the Nova Scotia Health Authority should put a process in place to verify the accuracy of reporting from home support providers. Reported hours, performance indicators, and statistical reporting should be included in the verification process.

***Health and Wellness Response:** The Department of Health and Wellness agrees with this recommendation. The department recognizes the importance of verifying reported information to ensure accuracy and we are moving in that direction. In 2017, the Department of Health and Wellness and Nova Scotia Health Authority met individually with all home support providers to discuss issues of mutual concern, including reporting requirements. Also in 2017, a joint department/health authority Performance Monitoring Committee was established which will meet monthly on an ongoing basis to assess providers' performance. In 2018/19, we will build on these accomplishments to develop a process for verifying the data reported by the home support providers.*

***Nova Scotia Health Authority Response:** Nova Scotia Health Authority agrees with this recommendation and is in the process of implementing. Beginning in 2016-2017, NSHA has completed a quarterly analysis of data reported from home support agencies. This analysis is used to inform individual agency reports which summarize their performance on a number of key metrics compared to provincial averages. NSHA and DHW meet jointly with home care agencies to review performance and discuss opportunities for improvement. NSHA recognizes the importance of the accuracy of this information in the performance monitoring process and will work collaboratively with DHW and home care agencies to identify and address any*



*deficiencies in the completeness or accuracy of data submitted. Meetings with the agencies to review the first and second quarter reports from 2017/2018 are being scheduled for December 2017 and January 2018.*

### **Failure to verify user fees collected from one provider**

- 3.14 Depending on the client's household income, home support clients may be required to pay user fees directly to home support providers. The provider's monthly payments from the Department of Health and Wellness are reduced by the amount of user fees collected. The department completes an annual reconciliation between the budgeted and actual user fees, using the user fee amounts reported on the provider's audited financial statements. This reduces the risk that a home support provider under reports user fees to increase their payments.
- 3.15 The department did not verify the accuracy of user fees collected for one of the largest home support providers. The provider's financial statements did not show user fees in enough detail to identify the fees related to government-funded home support, as required in the provider's agreement. The department relied on information reported by the provider, without verifying the amounts, increasing the risk of overpayment due to inaccurately reported user fees.

#### **Recommendation 3.3**

The Department of Health and Wellness should rely on the user fee amount as reported in audited financial statements when completing the annual reconciliation, or verify the accuracy of provider-reported user fees using another process.

***Health and Wellness Response:** The Department of Health and Wellness agrees and currently utilizes the user fees on the audited financial statements during the annual reconciliation process. However, the department has requested, but has not received, this information from one provider. We are continuing to work with this provider to obtain the user fee information and we will utilize this information when completing the reconciliations in future.*

### **No comprehensive monitoring of home support providers**

- 3.16 The department and the health authority did not comprehensively track home support providers' compliance with contract terms or performance issues. This means the department and the health authority cannot easily identify recurring performance issues with home support providers, or demonstrate how these issues are resolved.
- 3.17 The department has other processes to monitor home support providers, despite not having a comprehensive monitoring process.



- Departmental auditing of service providers – The department completes annual audits for compliance with home support standards. We examined a sample of ten audit reports and determined the audits were completed in accordance with department policy, and issues were addressed in a timely manner.
  - Critical incident reporting – Department policy requires critical incidents and the service provider’s response be reported to the department. We reviewed the two incidents reported within our audit period and determined the reporting complied with policy, and appropriate actions were taken in a timely manner.
  - Management reporting – The department has regular reporting on waitlist data, cancelled visits, and number of clients. This information is also shared with the health authority.
- 3.18 The health authority did not have consistent processes to address performance issues with home support providers. We examined the processes in place in two of the health authority’s four geographic zones. In one zone, staff used email and client file notes to record specific issues, but did not document meetings with providers. In the other zone, staff held regular, documented meetings with service providers, and recorded discussions of performance issues and other matters.
- 3.19 Department and health authority processes assist with managing provider compliance with contract terms and standards, but they do not provide comprehensive information about performance. Department and health authority management told us they plan to implement a new performance management committee with representation from both the department and the health authority. The committee will monitor service provider performance across all four zones.

#### **Recommendation 3.4**

The Department of Health and Wellness and the Nova Scotia Health Authority should monitor home support provider compliance with contract terms and performance issues on a regular basis.

*Health and Wellness Response: The Department of Health and Wellness agrees with this recommendation. Progress has been made in this area. As noted above in response to recommendation 3.2, the department and Nova Scotia Health Authority have established a Performance Monitoring Committee which reviews service providers’ performance. 2017-18 is a transition year which will focus mainly on key performance indicators and mandatory statistical reporting. However, the scope of the committee may be expanded in future to include monitoring of other contract components, as appropriate.*



***Nova Scotia Health Authority Response:** Nova Scotia Health Authority agrees with this recommendation and is in the process of implementing. On April 1, 2017, we amended our current service agreements with home care providers to include nine key performance indicators as well as reporting requirements designed to improve access, efficiency, quality, and sustainability. A joint DHW – NSHA performance monitoring committee was established in September 2017 and will ensure a consistent approach to monitoring contract compliance and performance achievement through 2017-2018. The DHW and NSHA are collaborating on the development and implementation of new performance based contracts for home care, including a comprehensive and consistent performance system which monitors achievement, with implementation targeted for 2018-2019.*



### **No integrated process to record or respond to client complaints**

- 3.20 The department does not have a central process to monitor home support complaints and their outcome. We identified this issue in our November 2008 audit. In May 2011, we reported that the department had addressed our recommendation by establishing a central process. Department management told us they no longer use this process and do not record complaints or their outcome.
- 3.21 The health authority does not have a process to monitor and track complaints. Health authority staff told us complaints are sometimes recorded in client files; however, management cannot generate lists of complaints to determine if they have been resolved, or identify ongoing issues with providers. Department policy requires the health authority to have processes in place to investigate and resolve client complaints; however, the lack of central tracking means it is not possible to confirm that complaints received have been investigated and resolved.
- 3.22 Clients can report complaints directly to home support providers and home care standards require providers to record and respond to these complaints. As part of their annual audits, the department verifies that service providers have processes in place to both record and respond to client complaints.
- 3.23 An integrated process to record and respond to complaints about home support services is important to ensure client concerns are recorded and resolved. Department and health authority management could also use this information to identify common complaints and hold home support providers accountable for service delivery.

### **Recommendation 3.5**

The Department of Health and Wellness and the Nova Scotia Health Authority should maintain an integrated record of home support complaints received, including their outcome.



**Health and Wellness Response:** *The Department of Health and Wellness agrees with this recommendation. The department recognizes that monitoring of complaints and outcomes is important. By April 1, 2018, we will implement a complaints recording/monitoring process. We will work with Nova Scotia Health Authority to develop an integrated process for recording and resolving home support complaints. This process will respect individuals' privacy and will comply with legislated privacy requirements.*

**Nova Scotia Health Authority Response:** *Nova Scotia Health Authority agrees with this recommendation and intends to implement. While NSHA has processes in place to record and investigate client complaints, we agree a centralized database would be beneficial. We will use this information to ensure all client complaints are addressed, trends are tracked and performance issues with providers addressed. We will work with DHW to implement an integrated approach to handling home support complaints by April 1, 2018.*



#### **Key performance indicators included in new contracts**

- 3.24 Effective April 2017, all home support providers signed one-year agreements which included nine standard key performance indicators along with statistical reporting requirements. Department management told us these agreements cover a transition period, after which new performance-based contracts will be signed with home support providers. Failure to meet the performance indicators included in those future contracts could result in penalties for the service provider.
- 3.25 The department and the health authority followed a good process to develop and implement the performance indicators. They communicated and consulted with home support providers, including communicating expectations and asking for feedback. The five providers we interviewed indicated the department and the health authority involved them in the process and listened to their concerns.
- 3.26 The key performance indicators will be used to evaluate home support providers. We reviewed the indicators included in the 2017-18 agreement, and determined they included indicators we expected to see, such as client access to service and client satisfaction.
- 3.27 Both the department and the health authority identified some limitations related to the evaluation of certain indicators. For example, the client satisfaction indicator does not define how providers should survey clients, and therefore providers could complete surveys using different approaches.
- 3.28 We encourage the department and the health authority to evaluate the indicators and the resulting outcomes prior to completing the 2017-18 transition year. Indicators, and how they are measured, should be evaluated and adjusted as needed before including them in the 2018-19 performance-based contracts.



- 3.29 Prior to April 2017, performance indicators were only included in the agreements for two for-profit home support providers. The agreements included two indicators to measure the percentage of clients accepted and limiting the number of different staff providing care to clients. None of the 22 not-for-profit contracts or the other 3 for-profit contracts included any performance indicators.
- 3.30 Despite the existence of the indicators, the health authority did not monitor the two providers' performance on a regular basis. Between April 2016 and February 2017, one provider reported they did not meet one of the indicators for 11 months, yet no action was taken to address this.
- 3.31 Regular monitoring and evaluation of performance against the indicators will allow the department and the health authority to determine if the home support program is meeting its objectives, and whether the service providers are meeting client care objectives.

### **Recommendation 3.6**

The Department of Health and Wellness and the Nova Scotia Health Authority should regularly monitor and evaluate service provider performance using the key performance indicators.

***Health and Wellness Response:** The Department of Health and Wellness agrees with this recommendation. The department recognizes that regularly monitoring and evaluating service providers' performance is important. The joint Department of Health and Wellness/Nova Scotia Health Authority Performance Monitoring Committee, which commenced meeting in September 2017, will meet a minimum of monthly and will monitor providers' performance in meeting key performance indicators.*

***Nova Scotia Health Authority Response:** Nova Scotia Health Authority agrees with this recommendation and is in the process of implementing. We will continue to work with Department of Health and Wellness to regularly monitor and evaluate service provider performance using the key performance indicators. First and second quarter reports for 2017-2018 are being analyzed now and meetings with agencies to review individual results/reports are being scheduled for December 2017 and January 2018. This work will continue after each quarterly reporting period is completed.*



### **Roles and responsibilities are defined and communicated**

- 3.32 The roles and responsibilities of the department and the health authority for managing home support are clearly defined and communicated in policies, home care standards, and service provider agreements.
- 3.33 We reviewed a sample of home support provider agreements and found roles and responsibilities of the department, the health authority, and service



providers are clearly defined. The agreements addressed the significant areas we expected – protection of privacy, confidentiality, establishing payment terms, termination and cancellation provisions, and establishing deliverables.



### Department does not have a process to oversee health authority

- 3.34 The department did not have a process in place to assess the health authority for compliance with home care policies. The department and the health authority have an accountability agreement which includes quarterly reporting on performance indicators; however, the agreement covers organizational indicators which are not specific to home care policies. The department does not know if the health authority is appropriately completing the initial assessment of need for home support clients, and does not ensure the health authority is investigating and resolving client complaints. The health authority is responsible for managing home support service delivery, but it is important that the department oversee whether the health authority is fulfilling those responsibilities.

#### **Recommendation 3.7**

The Department of Health and Wellness should regularly monitor whether the Nova Scotia Health Authority is meeting its home care responsibilities.

*Health and Wellness Response: The Department of Health and Wellness agrees with this recommendation and recognizes it is important to regularly monitor whether the Nova Scotia Health Authority is meeting its home care responsibilities. There is currently an Accountability Framework Agreement in place between the department and NSHA for monitoring and accountability purposes. By Summer 2018, the department will build on the existing accountability and policy frameworks to develop another level of accountability that focuses more specifically on home care.*

### Funding of Home Support Providers



### Department has a defined approach to home support funding

- 3.35 Department staff use a documented and systematic approach to calculate home support funding. The department funds providers using a rate per service hour delivered. The hourly rates are determined differently depending on whether the provider is a for-profit or a not-for-profit provider.
- 3.36 The for-profit hourly rate is specified in the for-profit contract. The for-profit rates have not changed since the first for-profit contract was signed in 2012, and there is no requirement in the contract to revisit or adjust the rates.
- 3.37 Department staff calculate the not-for-profit hourly rates as part of the annual budget process. Budget letters given to the providers outline the



funding calculation. The hourly rate considers factors like the provider's prior year operating costs, as well as the terms of their collective bargaining agreements. The hourly rate is reduced to the provincial average for not-for-profit providers to encourage providers to find operating efficiencies.

- 3.38 We recalculated a sample of six not-for-profit providers' hourly rates and identified only one minor error. We informed department staff who then notified the service provider and issued payment to correct the mistake. We also examined a sample of six for-profit payments. Three samples were invoice payments and were paid at the correct hourly rates, and three samples were advances which were appropriately calculated.
- 3.39 We interviewed management at five home support service providers, covering both not-for-profits and for-profits. All five providers understood the department's approach to home support funding. The five service providers expressed concerns about the funding rates, including issues such as not allowing for much staff education, not including anything substantial for staff travel, and having differences in rates between for-profit and not-for-profit providers. Health authority management also expressed concerns with the approach to funding and the need to work with the department on the approach to funding going forward.

## Conclusion

- 3.40 We found the department had not implemented all recommendations from our November 2008 Home Care audit. Eight recommendations are not complete.
- 3.41 Both the department and the health authority had weaknesses in their policies and procedures for ensuring services are received, and payments are made, in accordance with contract terms. Neither department nor health authority staff verified the accuracy of hours billed by service providers, nor did they confirm if services were delivered prior to issuing payments. The department and the health authority do not have comprehensive processes to monitor home support providers' performance, or record and respond to client complaints.
- 3.42 The department allocated funding to home support providers in a systematic and supported manner and followed its defined process to calculate and fund providers.



### Additional Comments from the Nova Scotia Health Authority

*Each year, Nova Scotia Health Authority, through our contracted agencies, delivers over three million hours of personal care, relief for family caregivers, nutritional care and essential housekeeping, as well as over one million nursing visits to about 28,000 Nova Scotians. These programs and services help people live safely in the place they call home. With an aging population, high rates of chronic disease and cancer, home care services will continue to play an important role in our public health care system.*

*The creation of Nova Scotia Health Authority in April 2015 has enabled us to work more effectively with government and our contracted home care agencies to ensure we are delivering services in a fair and equitable manner, following best practice and ensuring the program is on a sustainable foundation. We have also improved access to home support services – reducing both the number of people waiting and the number of waitlisted hours of care.*

*We agree with the recommendations of the Office of the Auditor General and will continue to work with the Department of Health and Wellness and our contracted agencies to implement new performance based contracts, which will further improve the quality of care and experience for individuals and families and increase accountability.*



## Appendix I

### Status of the 12 Recommendations Last Reported as Not Complete in May 2013

Recommendation	What We Found and Implications
<b>Not Complete</b>	
4.2 The Department of Health, in partnership with Executive Council, should update and consolidate the Coordinated Home Care Act and Homemaker's Services Act.	Not Complete – The Department has not updated the Coordinated Home Care Act and the Homemaker's Service Act since 1989-90. There is no single piece of legislation to reflect the current home care program.
4.3 The Department of Health should review arrangements for the acquisition of nursing and home support services. The Department should comply with the Province of Nova Scotia Procurement Policy and either subject these services to a competitive process or seek required approval for an exemption.	<p>Not Complete – We first made this recommendation in the 1996 Report of the Auditor General. The Department reviewed its options for acquiring home nursing and home support services; however, it is not complying with the Nova Scotia Procurement Policy.</p> <p>The Department did not obtain approval for an exemption from the procurement policy. Executive Council directed the Department to extend several provider contracts in 2015 without a competitive process, which is not in accordance with the procurement policy.</p>
4.9 The Department should identify the future demand for home care services and determine the level of various home care staff required to provide these services.	Not Complete – The Department completed an assessment of future demand for home care services; however, they have not determined whether the availability of health professionals will be a limiting factor to meet future demand.
4.12(2) The Department should work with the service providers to assess the risk of not completing periodic record checks subsequent to hiring and use the results of the risk assessment to determine the frequency of rechecks.	Not Complete – The Department has not completed a risk assessment to determine if updating record checks will reduce the risk to home care clients.
4.19 The Continuing Care Division should implement a quality assurance process to ensure appropriate assessment decisions are made, policies and procedures followed, and appropriately documented.	<p>Not Complete – The Health Authority is responsible for home care service delivery, and assessing clients' home care needs. The Nova Scotia Health Authority does not have a quality assurance process to ensure appropriate assessment decisions are made, policies and procedures followed, and appropriately documented.</p> <p>The Department is responsible for overseeing the home care program, but does not have a process to know if the Health Authority is making appropriate assessment decisions.</p>
4.22 The Department should implement a formal appeals process regarding decisions made in the investigation of complaints.	Not Complete – The Department does not have a formal process to appeal decisions made in the investigation of complaints. Appeals may not be addressed appropriately without a formal appeals process.



Recommendation	What We Found and Implications
Not Complete	
4.25 The Department should develop additional performance indicators, with established targets, to measure all aspects of the home care program.	Not Complete – The Department has developed key performance indicators related to home support. The Department has not developed performance indicators for home nursing, so they cannot measure all aspects of the home care program.
4.27 The Department of Health should move forward with a system to allow effective reporting of actual hours of service by home care service providers.	Not Complete – The Department does not have processes in place to verify that provider-reported service hours are accurate and complete, and only reflect actual hours of service to clients.

Recommendation	What We Found and Implications
Complete	
4.15 The Department of Health should formally document the policy detailing when professional judgment may be substituted for priority assessment tool completion or response time standards. The reason for any deviations from the priority assessment tool should be documented in the client's file.	<p>Complete – The Department documented their policy for using professional judgment. Health Authority staff are responsible to document the reason for not following the priority assessment time standards. The Department is responsible to monitor compliance with these standards.</p> <p>The Department needs to improve its monitoring of this requirement. Seven (24%) of 29 files we reviewed did not have a reason documented for not following the time standards.</p>
4.17 The Department should record the service start date for new clients in SEAScape. Reasons for any delay in service start dates should be documented.	Complete
4.26 The Department of Health should update guidelines for time required to complete home care services. This update should include a review of whether it is feasible to establish such guidelines for nursing care delivered to home care clients.	Complete
4.28 The Department of Health should review and improve the inspection process by developing an audit plan, assessing the objectives, risks and resources required for these audits, providing guidelines for the number of client and personnel files to be examined; requiring documentation be examined for completeness, and require an examination as to whether services provided were appropriate.	Complete



## Appendix II

## Audit Objectives and Scope

In fall 2017, we completed an independent assurance report of the Department of Health and Wellness and the Nova Scotia Health Authority. The purpose of this performance audit was to determine if there are policies and procedures to ensure the home support funding approach is appropriate, and to ensure providers comply with contract requirements.

It is our role to independently express a conclusion on whether home support contract management, the approach to funding, and implementation of previously-issued home care recommendations comply in all significant respects with the applicable criteria. Management at the Department of Health and Wellness and the Nova Scotia Health Authority acknowledged their responsibility for home support contract management, the approach to funding, and responsibility to implement previous home care recommendations.

We conducted this audit to a reasonable level of assurance in accordance with the Canadian Standard for Assurance Engagements (CSAE) 3001 – Direct Engagements set out by the Chartered Professional Accountants of Canada; and sections 18 and 21 of the Auditor General Act.

We apply the Canadian Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we complied with the independence and other ethical requirements of the Code of Professional Conduct of Chartered Professional Accountants of Nova Scotia and Nova Scotia's Code of Conduct for public servants.

The objectives and criteria used in the audit are shown below:

### Objectives:

1. To determine whether the Department of Health and Wellness has appropriate policies and procedures to ensure services are received, and payments are made, in accordance with contract terms.
2. To determine whether the Nova Scotia Health Authority has appropriate policies and procedures to ensure services are received, and payments are made, in accordance with contract terms.

### Criteria:

The department and the health authority should have:

- clearly defined and communicated roles and responsibilities for managing the home support program;
- current, signed contracts for home support providers;
- clearly defined and communicated performance expectations to home support providers;
- included performance expectations in contract terms;
- monitored home support providers to ensure services are provided in compliance with the contract terms and performance expectations;
- ensured home support services have been provided before payments are made to service providers; and
- taken timely action to address home support provider performance issues.



**Objective:**

3. To determine whether the Department of Health and Wellness is allocating funding to home support providers in a systematic and supported manner.

**Criteria:**

The department should:

- have a documented process for determining and allocating home support funding to providers; and
- calculate funding in a systematic and supported manner.

**Objective:**

4. To determine whether the Department of Health and Wellness has implemented all recommendations from the November 2008 Home Care audit.

**Criteria:**

The department should have:

- implemented all recommendations from the November 2008 Home Care audit.

Generally accepted criteria consistent with the objectives of the audit did not exist. Audit criteria were developed specifically for this engagement. Criteria were accepted as appropriate by senior management at the Department of Health and Wellness, and the Nova Scotia Health Authority.

Our audit approach included an examination of relevant policies and procedures, as well as other documentation as required. We reviewed home support contracts and tested compliance with policies and procedures. We interviewed a sample of home support providers for their perspective on the approach to funding. We also tested to determine if the Department had completed the outstanding recommendations from our 2008 audit of Home Care. Our audit period included home support contract management activities between April 1, 2016 to April 30, 2017. We also considered information outside that period as necessary.

Our audit did not include detailed examination of policies and practices at home support providers. We also did not examine home care nursing.

We obtained sufficient and appropriate audit evidence on which to base our conclusions on November 3, 2017, in Halifax, Nova Scotia.



## Appendix III

### Background

Home care is available to all Nova Scotians who need help in their homes. Clients can also receive home care from private home care organizations, family, friends, or other community supports.

Home care is an important part of the care continuum. It includes two primary services:

- Home support services such as light housekeeping, personal care, meal preparation, and respite care. Home support services is usually for longer periods of time or on an ongoing basis to help with daily living. This area was the focus of our audit work.
- Home nursing care such as wound care and palliative care. Home nursing is usually for shorter periods of time, such as while a patient is recovering from a surgery. We did not audit this aspect of home care.

The Nova Scotia Health Authority manages home care service delivery, and operates a central toll free intake line for continuing care (which includes both long-term care and home care). Individuals seeking home care are assessed by care coordinators who determine their home care needs, and arrange for third-party service providers to deliver care in the client's home.

The Department of Health and Wellness is responsible to fund home care organizations.

Fifteen of the 20 government funded home support providers are not-for-profits. The five government-funded for-profit service providers operating in the Halifax area were contracted between 2012 and 2014 to help reduce the waitlist for home support.

Approximately 30,000 clients receive home care each year.