
Chapter 1: Homes for Special Care: Identification and Management of Health and Safety Risks



Why we did this audit:

- Residents in homes for special care are vulnerable people
- Management of health and safety risks in the homes is key
- In 2014-15, Health and Wellness spent \$530 million on 7,754 residents in 136 homes
- In 2014-15, Community Services spent \$244 million on 2,263 residents in 332 homes

Overall conclusions:

Community Services:

- Effectively managing its homes for special care
- Efficient, consistent and timely inspection processes
- No evaluation of long-term funding needs although significant work towards assessing programs has been done

Health and Wellness:

- Needs to be more effective managing its homes for special care
- Does not have an efficient, consistent and timely inspection process
- No evaluation of long-term funding needs but work is underway to assess long-term funding needs

What we found in our audit:

Department of Community Services

- Uses information system to collect, analyze and report on licensing and inspections
- Has a well-defined inspection process
- No signed agreements with service providers or assessment of service quality
- Inspections and enforcement consistent among inspectors
- Electronic recording and automatic scheduling promotes efficiency
- Required inspections were done
- Followed up on deficiencies within 30 days
- No evaluation of long-term funding needs
- Phased project underway to examine sustainability of programs; examination of funding scheduled for 2017

Department of Health and Wellness

- Needs information system to track inspections and report on performance
- No written guidelines or documentation of inspection quality review process
- Service agreements do not include assessment of quality of service provided
- No written enforcement guidance for inspectors
- Enforcement not consistent across homes
- Required inspections were done
- Follow-up on inspection deficiencies may take five months or longer
- No evaluation of long-term funding needs
- Began developing future demand model in fall 2015, more work to be done



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* *Both Community Services and Health and Wellness agreed to implement all recommendations.*

1 Homes for Special Care: Identification and Management of Health and Safety Risks

Background

- 1.1 The Homes for Special Care Act governs the operation of homes for special care throughout the province, including nursing homes, homes for the disabled, and residential care facilities. Homes for special care must have a license to operate and must comply with the requirements of the Act and related regulations. All homes must be inspected at least once a year. Nursing homes require inspection at least twice a year.
- 1.2 The Department of Health and Wellness' Monitoring and Evaluation division is responsible for licensing nursing homes and certain residential care facilities. Most residents in these homes require some level of nursing care. There are nine investigation and compliance officers responsible for completing inspections. At March 31, 2015, Health and Wellness was responsible for 136 homes for special care with capacity for 7,754 residents.
- 1.3 The Department of Community Services' Licensing Services division is responsible for licensing adult residential centres, regional rehabilitation centres, certain residential care facilities, group homes, developmental residences, and small option homes. Residents in these homes have intellectual, mental health, or physical challenges but do not require nursing care. There are eight licensing officers responsible for inspecting the homes. At March 31, 2015, Community Services was responsible for 332 homes for special care with capacity for 2,263 residents.
- 1.4 In 2014-15, Health and Wellness provided \$530 million to its licensed homes for special care. For the same year, Community Services funded \$244 million to its service providers on behalf of residents. The following table shows funding by department over the past six years.

Year	Community Services – Disability Support Programs		Health and Wellness – Long Term Care Programs	
	Funding (\$000s)	Licensed Beds	Funding (\$000s)	Licensed Beds
2010-11	\$195,876	2,308	\$440,490	7,611
2011-12	\$206,512	2,302	\$464,936	7,718
2012-13	\$217,127	2,312	\$489,353	7,720
2013-14	\$218,627	2,314	\$507,320	7,767
2014-15	\$243,919	2,263	\$529,830	7,754
2015-16	\$253,260	2,301	\$536,655	7,754



Audit Objectives and Scope

- 1.5 In winter 2016, we completed a performance audit of the Department of Health and Wellness' investigation and compliance program and the Department of Community Services' licensing services program. The audit was conducted in accordance with sections 18 and 21 of the Auditor General Act and auditing standards of the Chartered Professional Accountants of Canada.
- 1.6 The purpose of the audit was to determine if the departments have adequately identified health and safety risks to residents of homes for special care and if they are monitoring to help ensure the risks are managed.
- 1.7 The objectives of the audit were to determine if the Departments of Health and Wellness and Community Services:
 - have adequate management information and processes to ensure they are effectively managing their responsibilities for health and safety in homes for special care;
 - are adequately monitoring and enforcing compliance with legislation and program standards related to their responsibilities for the health and safety of residents in the homes; and
 - have analyzed funding to the homes to assess long-term sustainability risks.
- 1.8 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 of both departments.
- 1.9 Our audit approach included interviews with management and staff at both departments, as well as a sample of stakeholders; examination of legislation, policies, systems and processes, program requirements, standards, facility files, and reports; as well as testing compliance with legislation, policies, systems, and processes. Our audit period included monitoring and inspection activities between April 1, 2014 and March 31, 2015.



Significant Audit Observations

Management Information Systems

Conclusions and summary of observations

The Department of Community Services has an adequate system and processes to effectively manage its responsibilities for health and safety in its homes. Community Services uses a computerized licensing, inspection and reporting system and quality assurance processes to monitor and evaluate operational effectiveness. The Department of Health and Wellness does not have adequate information systems and its processes need improvement to effectively manage its responsibilities for licensing and inspecting homes for special care. Health and Wellness does not have a suitable software application for its licensing and inspection processes; its use of spreadsheets is inefficient and ineffective. The Department's quality review process lacks written guidance and there is no evidence that quality review is occurring. Health and Wellness does not produce reports on work activities to support that inspections are timely and meet requirements. Lack of regular data analysis means management may not readily identify deficiencies and trends which could impact the health and safety of residents.

- 1.10 *Use of AMANDA* – The business licensing software standard for the province is an application called AMANDA. Community Services began using this application in 2012, when the provincial standard was established. The Department uses AMANDA to record licensing inspections and follow-up monitoring, produce reports, and record other relevant communications.

► Health and Wellness does not have an information system

- 1.11 The Department of Health and Wellness does not use AMANDA or an alternative database application. Staff use spreadsheets to track the stages of the licensing and inspection process to ensure proper completion. Using spreadsheets to collect licensing and inspection information is not efficient for reporting purposes as not all needed information is gathered. For example, Health and Wellness wanted to determine trends in compliance violations at its homes for special care. Staff reviewed a sample of 50 service provider files for deficiencies identified during inspections over a one-year period. Health and Wellness could have done this more efficiently, in far less time, using 100% of the inspection data, if it had a comprehensive system to record information. In contrast, Community Services uses information recorded in AMANDA to produce an annual report on trends in violations at all its homes.
- 1.12 *Inspection process inefficiencies* – Health and Wellness' lack of a computerized system also leads to inefficiencies in the inspection process. Staff complete



paper inspection forms at the homes and return to the Department to prepare reports and send them to the home administrators. Staff at Community Services document their inspection results electronically at the time of the inspection. They print a report for the administrator before they leave.

► **Community Services reports timely information; Health and Wellness reports limited information**

- 1.13 *Reporting* – Community Services uses its information system to produce quarterly and annual reports on licensing statistics. The Department has developed key indicators and targets to assess its performance. Examples of indicators include: the percentage of inspections completed on schedule, percentage of files reviewed, and percentage of deficiencies corrected by the first monitoring inspection. Management obtained these reports in a timely manner during 2014-15. Additional reports, such as the history of a specific service provider, or complaints received, are also available as needed.
- 1.14 Health and Wellness has limited reports on inspection activities. Reports include only the number of completed inspections. Health and Wellness does not regularly report detailed information to assess operational effectiveness. Although staff use spreadsheets to track information, such as the dates licensing requirements were completed, management does not analyze this information to determine the efficiency and effectiveness of inspections. Management does not use the spreadsheets to assess overall performance of the Department's inspection activities, such as whether inspections are completed on time or if deficiencies still exist at the next inspection.

Recommendation 1.1

The Department of Health and Wellness should have a management information system to efficiently and effectively manage its responsibilities for licensing and inspections of homes for special care.

Department of Health and Wellness Response: The Department of Health and Wellness agrees with this recommendation and the need to acquire a management information system for licensing inspections. The Department is currently inquiring into possible solutions to address information management needs.

► **Community Services has defined a quality review process; Health and Wellness has not established a structured process**

- 1.15 *Quality review process* – Community Services has a target for management to annually complete file audits of 20% of all homes. In 2014-15, a management report showed 99 of 332 homes (29.8%) had file audits completed, meeting the established target. Management uses a checklist which details



file items that must be reviewed. The completed checklist is signed off and retained in the file.

- 1.16 Health and Wellness management told us they use a peer review process and a high-level manager review of a sample of inspection reports. The Department has no written guidelines that outline how the reviews should be carried out. We found no evidence to indicate peer or management reviews were completed. We could not determine whether or how many peer or manager reviews were done, or to what extent inspection reports were reviewed.

Recommendation 1.2

The Department of Health and Wellness should establish a licensing and inspection quality review process that includes written guidance on frequency, information to be reviewed, and documentation of completion.

Department of Health and Wellness Response: The Department of Health and Wellness agrees with this recommendation. While DHW had implemented a peer review process several years ago, this process was not documented. Since the Office of the Auditor General has completed the audit, the Department has developed written guidelines to support this process, including a quality review process completed by management. As such, this recommendation is complete.

Service Provider Agreements

Conclusions and summary of observations

The Department of Community Services does not have signed agreements with its service providers. Community Services sends notifications to its service providers when funding rates change. Homes funded through the Department of Health and Wellness have signed service agreements, either with Health and Wellness or the Nova Scotia Health Authority. Performance evaluation processes for the services provided have not been developed and the agreements do not clearly outline responsibilities among the parties for reporting on performance. Signed agreements with clear responsibilities and performance evaluation measures are important tools to help ensure service providers are maintaining the expected level of service for which they are paid.

► **Community Services does not have signed agreements with service providers**

- 1.17 *Signed agreements* – Although the Homes for Special Care Act and regulations include a number of provisions homes must follow, such as the need for adequate and competent staff to provide the required services, they do not specify the expected level of service that must be provided. Service



agreements are a way to outline service expectations and specify what reporting is required and how services will be verified.

- 1.18 The Department of Community Services does not have signed agreements with its service providers. The Department notifies service providers when funding rates for resident beds change. While Community Services has funding guidelines which reference compliance with the Act and regulations, they are not incorporated into signed agreements to support their enforcement. Management told us they recognize service agreements are best practice and plan to include them as part of phase three (beginning in 2017) of Community Services' program redesign project. This project is discussed later in this chapter.

Recommendation 1.3

The Department of Community Services should sign agreements with all service providers which clearly establish performance expectations and reporting requirements.

***Department of Community Services Response:** The Department of Community Services agrees with Recommendation 1.3 and intends to implement this recommendation in conjunction with the Disability Support Program (DSP) Transformation project and the Corporate Agreement Management (CAM) Transformation project. The 2nd phase of the CAM project is underway now. Agreement templates will be completed and in place for many service providers and discretionary grants by April 1, 2017. Work on the DSP service provider agreements is taking place as a priority in 2016-17 and the agreements will be put in place during 2017-18 once outcomes are fully defined.*

- 1.19 Our 2007 audit of nursing homes at the Department of Health and Wellness recommended the Department sign service agreements with homes to clearly establish expectations and responsibilities. Health and Wellness now has two types of agreements with its service providers. Agreements between the former health authorities (now the Nova Scotia Health Authority) and service providers were signed starting in 2012, for beds licensed prior to 2007. For all beds licensed during or after 2007, agreements were signed between the service providers and Health and Wellness.
- 1.20 For the 15 Health and Wellness homes in our sample, all service providers that required a signed service agreement had one. Although agreements were signed, we identified issues with the administration of the agreements, discussed in the following paragraphs.

► Health and Wellness does not evaluate how service providers are performing

- 1.21 *Performance evaluation and reporting* – Our 2007 audit also recommended that Health and Wellness include performance expectations and reporting



requirements in the service agreements. Although Health and Wellness established agreements with the homes, performance evaluation and reporting provisions were not included.

- 1.22 The agreements between the Nova Scotia Health Authority and service providers state that best practices should be identified and appropriate benchmarks for service delivery should be developed. The agreements also did not require reporting to the Department on the assessment of service quality. This weakens the value of the agreements. It is more difficult to hold the service providers accountable for providing a certain level of service if service expectations are not clearly defined, agreed to by all parties, and reported on. As this demonstrates, important provisions should be included in initial agreements as they are less likely to be developed at a later date. Health Authority management told us the additional resources needed to establish and carry out service evaluations were not provided by Health and Wellness.
- 1.23 Health and Wellness told us it expects the Nova Scotia Health Authority to also monitor service quality for the providers that signed agreements directly with the Department. This responsibility is not outlined in the agreements. Performance evaluation responsibilities and reporting relationships between the service providers, the Health Authority, and the Department are not clearly defined for all parties. This may result in inadequate monitoring of service quality and residents not receiving the level of care for which funding was provided.

Recommendation 1.4

The Department of Health and Wellness should establish clear responsibilities and accountability for service provider performance and related reporting requirements and ensure these activities are carried out.

***Department of Health and Wellness Response:** The Department of Health and Wellness agrees with this recommendation. Work is currently underway to implement performance based contracts with home care providers. Additionally, the Department is currently developing a 2017 Continuing Care Strategy. It is anticipated that actions related to long-term care service expectations, accountabilities and reporting requirements will be a key action stemming from the 2017 strategy.*

Monitoring and Enforcement

Conclusions and summary of observations

Health and Wellness monitoring and enforcement activities are not consistent and not always timely. Homes licensed by Health and Wellness prior to 2007 are not



specifically required to have written infection prevention and control policies and guidelines, with a focus on hand washing. Infrequent hand washing is known to be a major contributing factor in the spread of infectious diseases in institutions. Health and Wellness does not have written guidance for inspections and enforcement. The Department is developing inspection checklists and policies and procedures for staff. Our testing of Health and Wellness files found follow up and enforcement when deficiencies are noted is inconsistent and not timely. For example, 23 deficiencies reported for seven facilities were still not corrected by the next inspection between five to nine months later. The Department of Community Services' inspection process is efficient, consistent and timely. Community Services has clear and written inspection, enforcement and follow-up guidelines. The complaints process at Community Services is well-documented and we found it is followed. Health and Wellness does not have documented guidelines for licensing complaints.

▶ **Homes licensed prior to 2007 do not have to follow Health and Wellness' current requirements**

- 1.24 *Program requirements* – All homes for which the Department of Health and Wellness is responsible are governed by the Homes for Special Care Act and regulations. Homes licensed during or after 2007 are also required to follow more detailed long-term care program requirements developed by Health and Wellness. In 2014, Health and Wellness began work on updating and developing new program requirements applicable to all its homes. Department management told us they expect to implement the new requirements in April 2016.
- 1.25 We compared Health and Wellness' health and safety program requirements to the regulations to determine if there were significant differences in the rules which govern homes licensed prior to 2007 compared to those licensed from 2007 on. We found only one significant difference. Homes that follow the program requirements must have written policies, procedures and guidelines on their infection prevention and control program, with particular focus on hand washing. Homes licensed prior to 2007 do not have this requirement. This difference is significant as improper or infrequent hand washing is known to be a major contributing factor to the spread of infectious diseases in institutions.
- 1.26 All homes for which the Department of Community Services is responsible are governed by the Homes for Special Care Act and regulations and Community Services' standards of care. We found there were no significant health and safety differences between the Act, regulations and standards.

▶ **Health and Wellness has not provided written guidance to inspectors**

- 1.27 *Policies and procedures* – The Department of Health and Wellness does not have written policies and procedures to guide inspectors. Health and Wellness



developed an inspection checklist based on the program requirements for homes licensed during or after 2007. This checklist provides guidance on what to look for during the annual licensing inspection. However, it does not provide detailed guidance on assessing deficiency risks, appropriate enforcement when deficiencies are found, what follow up should be done, or which health and safety deficiencies would lead to a short-term license. Without adequate guidance, inspectors may address deficiencies differently, leading to inconsistencies and possible delays in addressing health and safety risks.

- 1.28 Health and Wellness does not use a checklist for the annual licensing inspections of homes licensed prior to 2007. To document the inspection, staff use a 32-page form that outlines key areas to review, such as hallways and common areas, resident areas, and charts. This form provides little guidance on how the inspection should be completed, such as what to check when reviewing medicine storage or meal menus. Staff use a similar form when completing the required mid-year inspections. Without detailed guidance, the risk of incomplete, inefficient or inconsistent inspections increases. Our examination of a sample of inspection files, detailed later in this chapter, provides examples for which this has occurred. Health and Wellness management told us they are developing a new inspection checklist and detailed policies and procedures to provide guidance to inspectors.

Recommendation 1.5

The Department of Health and Wellness should complete and implement its new checklist and policies and procedures on inspection and enforcement processes.

***Department of Health and Wellness Response:** The Department of Health and Wellness agrees with this recommendation. Prior to the audit completed by the Office of the Auditor General, the department was in the process of finalizing the revised Long Term Care Program Requirements, which would be the foundation of a single licensing tool. This work has been completed and implemented. The department also had draft policies and procedures related to the licensing inspection process, which have also been completed. As such, this recommendation has been completed.*



Community Services has clear guidance for inspections

- 1.29 The Department of Community Services has a procedures manual to provide guidance on the inspection process. Community Services also has an enforcement policy which outlines levels of enforcement and when it is appropriate to use these. The Department uses a computerized checklist to detail all of the items to review during an inspection.



Health and Wellness performed required number of inspections

- 1.30 *Inspections by Health and Wellness* – The Homes for Special Care Act requires that nursing homes be inspected a minimum of twice a year. Health and Wellness carries out licensing inspections annually at all its homes, prior to the expiration date of a license. The Department also performs a second monitoring inspection at all homes, generally five to seven months after the annual inspection. Inspectors arrive unannounced and do not schedule inspections. They use paper forms to record information and note deficiencies and required corrections in a report. This report is provided to the home administrator. The home is required to provide an action plan noting how it will address each deficiency reported.
- 1.31 We selected a sample of 30 Health and Wellness files of inspections performed between April 2014 and March 2015. We wanted to know if the required number of inspections were completed and whether health and safety requirements at the homes were met. Since there is no detailed list of more significant health and safety requirements, we asked inspectors what they believe is significant.
- 1.32 We found that all the required inspections were completed for each home; although eight of the monitoring inspections were completed between eight and nine months after the annual inspection, rather than the five to seven month target. Inspections were performed by a different inspector each year. This is a good practice as it decreases the risk of deficiencies not being identified. Files were complete and all inspection reports were signed by the inspectors. We found all reports contained clear direction on what the homes needed to do to address the deficiencies.
- 1.33 However, we identified weaknesses and inconsistencies in the inspection process. These are detailed in the following paragraphs.

Health and Wellness does not ensure consistent enforcement

- 1.34 Homes are generally licensed for one year. A three-month license may be issued when certain significant deficiencies are identified. Although 5 of the 30 inspections we tested had significant deficiencies for which a three-month license would likely be issued, one facility, which had not tested its emergency plan, received a one-year license. A short-term license would likely have ensured the home's emergency plan was tested and effective within a reasonable time.

Health and Wellness does not follow up deficiencies in a timely manner

- 1.35 While Health and Wellness requires that homes provide action plans to correct deficiencies, it generally does not require homes to note the date by



which deficiencies will be corrected. Inspectors may require the homes to provide completion dates, but there is no written guidance to help inspectors determine which deficiencies should be assigned a deadline.

- 1.36 There were 127 deficiencies identified in the inspection reports we tested at Health and Wellness. We looked at the subsequent monitoring inspection to determine if these problems had been corrected. We found 18% of these deficiencies (23 of 127) still existed between five and nine months later. Three deficiencies were key health and safety requirements as identified to us by Health and Wellness inspectors, with one of those being proper medication storage.
- 1.37 All 23 deficiencies were included in the homes' action plans. However, Health and Wellness inspectors are not required to follow up that deficiencies have been corrected until the next monitoring inspection, several months later. By contrast, Community Services inspectors are required to follow up within 30 days to determine if deficiencies have been addressed.
- 1.38 In the 26 files we tested which had one-year licenses, Health and Wellness inspectors did not follow up prior to the monitoring inspection; as noted earlier, approximately one quarter (8 of 30) of these monitoring inspections were not completed in the target five to seven months. It is reasonable that all deficiencies may not require immediate follow up, based on their significance. However, timely follow up on more serious deficiencies is important. This does not necessarily mean another inspection at the home is needed. It could mean contacting the home shortly after the inspection and making sure the deficiency was corrected by confirming with management, getting copies of invoices, photographs, or other information. Waiting five or more months after significant deficiencies are identified is not timely and may increase risks to the residents for a longer period than necessary.

Recommendation 1.6

The Department of Health and Wellness should follow up in a timely manner to make sure more serious deficiencies at homes for special care have been corrected. This could be done by obtaining information to show that deficiencies were fixed and may not require another visit to the home shortly after the inspection.

***Department of Health and Wellness Response:** The Department of Health and Wellness agrees with this recommendation. DHW agrees that timely follow up to serious deficiencies is important to the health and safety of residents in homes for special care. DHW has mechanisms in place to follow-up on serious deficiencies and will build on these to articulate a risk-based framework for inspections and compliance.*



Community Services conducts inspections in an efficient, consistent and timely manner

- 1.39 *Inspection process* – The Homes for Special Care Act requires homes, other than nursing homes, be inspected at least once a year. The Department of Community Services’ policy is to conduct annual licensing inspections at each home followed by a second monitoring inspection, generally four to six months after the annual inspection. Inspectors schedule the annual inspections with the homes; monitoring inspections are unannounced.
- 1.40 To record inspection information, Community Services inspectors use electronic checklists linked to Community Services’ information system. When an inspector selects “no” for an item on the checklist, the system automatically records it as a deficiency in an inspection report. At the end of an inspection, the inspector prints the inspection report. The report is signed and dated by the inspector and the home administrator. Once the annual inspection is completed, the information system automatically schedules a monitoring visit, four to six months later, in the inspector’s calendar.
- 1.41 We selected a sample of 50 Community Services files for inspections that occurred between April 2014 and March 2015. We examined the files to determine if the required number of inspections were carried out and health and safety requirements at the homes were met. We found all annual inspections were completed on time and all monitoring inspections were completed within four to six months afterwards. All inspection reports were in the inspection files and were signed by both the inspector and home administrator. The electronic checklist was properly completed for all inspections. Inspectors identified 75 deficiencies and all reports contained clear direction on what the homes needed to do to correct them.

Community Services has established clear follow-up and enforcement processes

- 1.42 *Follow-up* – At Community Services, if an inspection report contains deficiencies, the information system will automatically schedule a follow-up visit 30 days after the inspection. The inspector is required to visit the home again or review written documents submitted to confirm that deficiencies were corrected. If deficiencies are not addressed, then the inspector gives the home another 30 days to correct. The inspector also sends a warning letter indicating that the home may be put on a probationary license. If, after the first 30 days, the inspector determines the work needed to correct a deficiency will take longer than 30 days, the inspector works with the home to develop an action plan with compliance dates for each deficiency. After the second 30-day period or the date indicated in the action plan, the inspector and Community Services management visit the home. If deficiencies are still not corrected, the Department’s process is to issue a one-month probationary license. Community Services staff are to visit the home again by the end



of the one-month license period. If the deficiencies are still not corrected, Community Services is to begin the process to suspend or revoke the license.

- 1.43 We tracked the 75 deficiencies identified in the sample of inspections we tested to determine if deficiencies were corrected within the required time. We found deficiencies were suitably addressed, as noted below.
- Forty-nine deficiencies were corrected within the first 30-day period.
 - Nine deficiencies were granted extensions as the facilities were waiting for fire marshal inspections. The inspections were completed within the extension period.
 - Ten deficiencies were corrected within the second 30-day period.
 - Seven deficiencies required action plans and were corrected by the date indicated in the action plans.
 - There were no probationary licenses issued and no licenses were suspended or revoked.
- 1.44 *Complaints process* – Both Health and Wellness and Community Services address resident safety concerns at the homes for special care through the protection of persons in care program. This was outside the scope of our audit. We looked at this program at both Departments in 2011. At that time, protection of persons in care investigations were well-documented and timely.
- 1.45 During this audit, we looked at whether each Department had its own processes for licensing complaints which would not go through the protection of persons in care program (those which are not specific resident safety concerns).
- 1.46 Health and Wellness does not have written guidance for staff following up on licensing complaints, such as cleanliness or other concerns not directly related to the residents. When we completed our audit, Health and Wellness was developing a licensing complaint policy but it was not final.
- 1.47 During our audit period of April 2014 to March 2015, Department management told us there were seven licensing complaints. We did not note any complaints during our file testing that were not included in the list provided by staff. We tested the seven complaints and determined that each complaint was addressed in an appropriate and timely manner.
- 1.48 Community Services has documented guidance related to licensing complaints. These complaint guidelines were implemented in April 2015.
- 1.49 During our audit period of April 2014 to March 2015, Community Services received a total of 10 complaints. We did not note any complaints during



file testing that were not included in the list provided by Community Services. We tested five of the complaints and determined that each complaint was addressed in an appropriate and timely manner, similar to the process outlined in the April 2015 guidelines.

Long-term Funding of Homes for Special Care

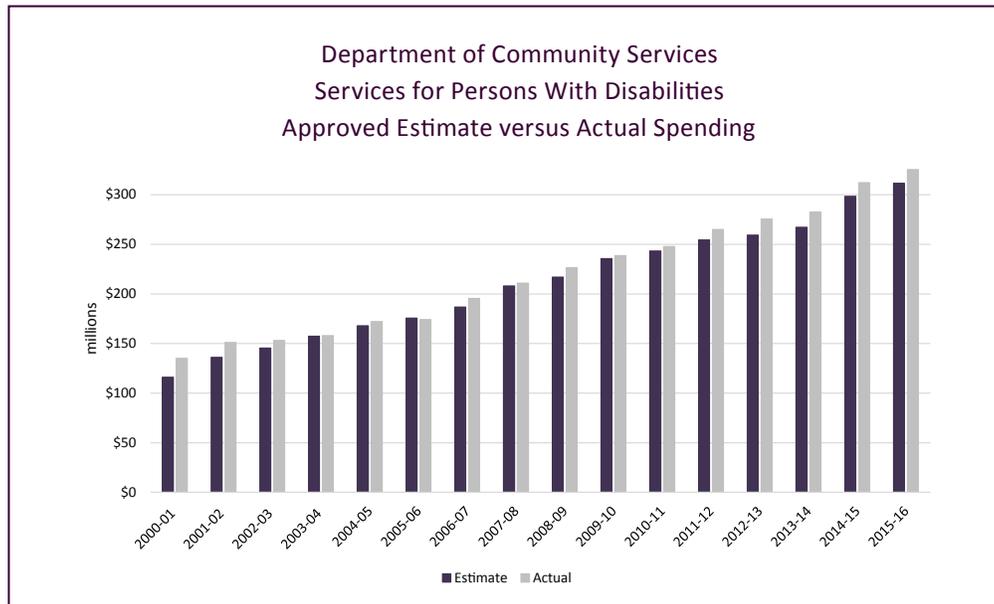
Conclusions and summary of observations

Neither the Department of Health and Wellness nor the Department of Community Services are monitoring and evaluating the long-term sustainability of funding for homes for special care. Both departments have identified the need to determine how they will meet financial demands going forward. The Department of Health and Wellness began developing a model in fall 2015 to help it determine future demand for homes for special care. The Department of Community Services started a program redesign project in fall 2013 which is scheduled to address this topic, beginning in 2017. Without further work to determine future demand for homes for special care, the departments cannot adequately conclude whether the programs currently offered will be sustainable into the future and plan for necessary changes.

► **Community Services and Health and Wellness are not evaluating long-term funding on a regular basis**

1.50 *Monitoring future sustainability* – While both Health and Wellness and Community Services have identified the need to plan for future sustainability of services provided through homes for special care, neither department has a process for monitoring and evaluating long-term sustainability. For example, neither department has completed a population analysis to assess future program demand. Health and Wellness' June 2015 evaluation of its 2006 continuing care strategy produced several recommendations concerning long term care sustainability, including developing client profiles and future demand forecasts. In fall 2015, Health and Wellness began developing a future demand forecast model. While there is no end date for the project, Health and Wellness is collecting the information to develop its 2017 continuing care strategy.

1.51 The Department of Community Services completed an analysis that showed the average annual increases in spending for the disability support program, which includes homes for special care, were more than double the spending increases in its other program areas. Disability support program spending has been over budget all but 1 of the past 16 years, as shown in the chart below. Program costs are rising and the budget process does not address long-term funding sustainability. Community Services needs to understand the potential future demand in order to ensure the programs offered will be sustainable.



Source: Department of Community Services (unaudited)

- 1.52 In fall 2013, Community Services started a program redesign project, which includes homes for special care. One goal of this project is to analyze current clients and their needs to create programs which meet the needs in a sustainable way, including creating a 20-year cost projection for the redesigned programs. Once the project is complete, Community Services will need to regularly monitor and evaluate long-term sustainability.
- 1.53 Community Services has done a significant amount of planning and analysis as part of phase one of the project. It has established detailed outlines for the completion of required work to achieve program redesign and funding cost models. The Department's goal is to increase efficiency, effectiveness and sustainability of its programs. Project plans include clear deliverables, timelines, and roles and responsibilities. Community Services completed the first phase of the three-phase redesign project in June 2015, within the established timeline. Community Services is working on phase two, which includes improvements to wait list management and interim funding measures. Community Services plans to start the third phase of the project, including development of funding models, in 2017; no end date has been established.

Recommendation 1.7

The Department of Health and Wellness and the Department of Community Services should complete their planned projects related to future demand for services and establish an ongoing process for monitoring and evaluating long-term sustainability of funding for homes for special care.



Department of Community Services Response: *The Department of Community Services agrees with Recommendation 1.7 and is implementing this recommendation as part of the Disability Support Program Transformation project. The implementation is expected to be completed by September 2018.*

Department of Health and Wellness Response: *The Department of Health and Wellness agrees with this recommendation. As previously identified, the Department is currently developing a 2017 Continuing Care Strategy. Key planning activities include the development of a continuing care service demand forecasting model, the development of a long-term care capital asset plan, and better alignment of roles and responsibilities of the Department, the Nova Scotia Health Authority and long-term care service providers. Taken together, these pieces of work will form the foundation of planned sustainability work related to long-term care.*