



INFORMATION REPORT

TO:	Chair and Members Healthy and Safe Communities Committee
COMMITTEE DATE:	April 9, 2018
SUBJECT/REPORT NO:	Residential Care Facility Subsidy Program One Time Funding (HSC18015) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Rob Mastroianni (905) 546-2424 Ext. 8035
SUBMITTED BY:	Vicki Woodcox Acting Director, Housing Services Division Healthy and Safe Communities Department
SIGNATURE:	

Council Direction:

On February 14, 2018, a motion on “One Time Funding of \$200,000 for Residential Care Facilities (RCF)” was presented. This motion was referred to staff with a report to come back to the Healthy and Safe Communities Committee (formerly Emergency and Community Services Committee).

Information:

The Residential Care Facilities (RCF) Subsidy Program, previously known as the Domiciliary Hostel Subsidy Program, is administered by the City of Hamilton and subsidizes the cost of accommodation, meals, supervision and assistance with activities of daily living for an average of 765 residents living in 54 RCFs. Residents include people with mental health issues, developmental disabilities, acquired brain injuries, histories of homelessness and senior adults. As a form of housing with supports, RCFs are an important part of Hamilton’s housing continuum and provide an option for people who may require supports along with permanent housing.

The City of Hamilton pays the Owner/Operator of the facility on a per diem basis. Residents of RCFs contribute to the cost of the service according to their income and the City provides the balance of the cost through the RCF Subsidy Program, using 100% Provincial Community Homelessness Prevention Initiative (CHPI) funding. Prior to the introduction of the CHPI in 2013, the per diem paid to former Domiciliary Hostels was established by the Province and at that time, the per diem was \$47.75. Since January 1, 2013, this rate is now set by the City of Hamilton.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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On September 8, 2011, Emergency and Community Services (E&CS) committee received a Report CS10036(a) - City of Hamilton Domiciliary Hostel Program Review. This Report detailed the outcome of SHS Consulting's review of the former Domiciliary Hostel Program. The report included a recommendation, "that the City increase the per diem funding to \$55, with annual adjustments for inflation, to better reflect the cost of operating Domiciliary Hostels".

Report CS13017(a), which was approved by E&CS Committee on November 25, 2013, reported on the outcome of the second phase of the CHPI review and recognized the importance of Residential Care Facilities (formerly Domiciliary Hostels) as part of the housing continuum. The report included a recommendation to increase the per diem payment (from \$47.75 to \$48.25). This report also included a recommendation that the General Manager of the Community and Emergency Services Department or designate be authorized to implement spending caps, benefit frequency limits, or other controls necessary to ensure costs are contained within the approved CHPI operating budget and that service delivery expectations and administrative practices more closely align with the Provincial CHPI outcomes.

On February 23, 2015, Report CES15007 was approved by the Emergency and Community Services Committee regarding a recommendation to increase the RCF Subsidy Program per diem rate from \$48.25 to \$50.

In March 2017, the Ministry of Municipal Affairs and Housing (MMAH) released the Supportive Housing Policy Framework and Best Practice Guide to help guide both provincial and local program improvements in Housing with Related Supports through CHPI. Supportive housing programs such as RCFs are included within this service category. The Standards Framework seeks to ensure that Municipal Service Managers have measures in place to mitigate risk and ensure a minimum level of quality in the programs funded under the CHPI Housing with Related Supports category. Within this framework, service managers are encouraged to design housing with supports programs and services that move away from custodial models, to approaches that are recovery-orientated and provide access to supports and services that foster independence and social inclusion.

At the January 22, 2018, Emergency and Community Services Committee, a delegation from members of the Residential Care Facilities (former Domiciliary Hostels) Working Group expressed concern over financial pressures due to increasing monthly operating costs and the potential negative impacts on the 765 residents currently residing in RCFs. They indicated that they have been systemically underfunded relative to the SHS Consulting report from 2011 and can no longer sustain the increased pressure on operating costs. Several RCF operators have come forward to staff since this

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delegation and indicated that they are experiencing significant financial pressures within their facilities and that some owners are considering “closing their business”.

On February 14, 2018, a motion on “One Time Funding of \$200,000 for Residential Care Facilities (RCF)” was presented. This motion was referred to staff with a report to come back to the Healthy and Safe Communities Committee (formerly Emergency and Community Services Committee). The chart below outlines the per diem increases for RCFs since June 1, 2006.

Date of Increase	Per Diem
June 1 2006	\$45.00
June 1 2010	\$47.75
January 1 2014	\$48.25
April 1 2015	\$50.00
February 14 2018 (motion \$200,000 one-time)	\$50.71* (equivalent to)

*If the motion is approved, the RCF operators would receive one time funding in April 2018. The per diem will revert back to \$50.00 per diem pending any further direction from Council.

An analysis by staff in February 2018 of 5 other municipalities which operate Housing with Supports (RCFs) showed that the average per diem cost is \$52.00.

Staff will be completing a review of the RCF system in Hamilton to ensure the program is operating in line with this Framework and Best Practice Guide in 2018. Further to this staff, will be conducting a financial analysis of the current costs of the RCF system as a result of the concerns raised by the RCF operators.