

Community Mental Health

Follow-up on VFM Section 3.06, *2008 Annual Report*

Background

The Ministry of Health and Long-Term Care (Ministry) provides transfer payments to 14 Local Health Integration Networks (LHINs) that, in turn, in the 2009/2010 fiscal year funded and oversaw about 325 (330 in 2007/08) community-based providers of mental-health services. In the 2009/10 fiscal year, funding to community mental-health services and programs in Ontario was about \$683 million (\$647 million in 2007/08).

At the time of our 2008 audit, studies showed that one in five Ontarians would experience a mental illness in some form and to some degree in their lifetime; about 2.5% of the province's population aged 16 years and over would be categorized as having been seriously mentally ill for some time. Mental-health policy in Ontario has been moving from institutional care in psychiatric hospitals to community-based care in the most appropriate, most effective, and least restrictive setting. Our audit found that, while progress had been made in reducing the number of mentally ill people in institutions, the Ministry, working with the LHINs and its community-based partners, still had significant work to do to enable people with serious mental illness to live fulfilling lives in their local community.

In our *2008 Annual Report*, we identified the following key issues:

- The Ministry was not yet close to achieving its target of spending 60% of mental-health funding on community-based services. In the 2006/07 fiscal year, the Ministry spent about \$39 on community-based services for every \$61 it spent on institutional services.
- Notwithstanding the significant investments in community care that had been made, the LHINs and service providers we visited acknowledged that many people with serious mental illness in the community were still not receiving an appropriate level of care. Of those people in hospitals, many could be discharged into the community if the necessary community mental-health services were available.
- There were lengthy wait times for community mental-health services, ranging from a minimum of eight weeks to a year or more, and about 180 days on average.
- Formal co-ordination and collaboration among stakeholders, including community mental-health service providers, relevant ministries, and LHINs, was often lacking.
- The Ministry transferred responsibility for delivery of community mental-health services to the LHINs on April 1, 2007, but the LHINs

still faced challenges in assuming responsibility for effectively overseeing and co-ordinating community-based services.

- Community mental-health service providers indicated that they were significantly challenged in their ability to maintain service levels and qualified staff, given an average annual base-funding increase of 1.5% over the few years prior to our 2007/08 fiscal year audit.
- Funding of community mental-health services was based on past funding levels rather than on actual needs. Historical-based funding resulted in significant differences in regional average per capita funding, ranging from a high of \$115 to a low of \$19.
- There was a critical shortage of supportive housing units in some regions, with wait times ranging from one to six years. Housing units were unevenly distributed, ranging from 20 units per 100,000 people in one LHIN to 273 units per 100,000 people in another. While some regions had shortages, others had significant vacancy rates, which were as high as 26% in the Greater Toronto Area.
- The Ministry and LHINs did not have sufficient information to be able to assess the adequacy of community-based care that people with serious mental illness were actually receiving.

We made a number of recommendations for improvement and received commitments from the Ministry that it would take action to address our concerns. On February 18, 2009, the Standing Committee on Public Accounts held a hearing on these recommendations and the Ministry's plans to address them.

Status of Recommendations

According to information provided to us by the Ministry, some progress has been made in address-

ing most of our recommendations. Several will take a few years to implement given that a long-term strategy has not yet been completed and the information needed to ensure equitable funding and track success in meeting objectives and performance commitments was not yet being collected from community agencies. The status of the action taken on each recommendation at the time of our follow-up was as follows.

MENTAL-HEALTH STRATEGY

Recommendation 1

To better ensure that Ontario's strategy of serving people with serious mental illness in the community rather than in an institutional setting is implemented effectively, the Local Health Integration Networks (LHINs), in consultation with the Ministry of Health and Long-Term Care, should provide the community capacity and resources needed to serve people with serious mental illness being discharged from institutional settings.

Status

In October 2008, the Ministry established an Advisory Group on Mental Health and Addictions to provide advice on:

- a new 10-year strategy for mental health and addictions focusing on people with serious mental illness, complex problematic substance use, and problem-gambling issues as well as on people with less serious problems; and
- provincial priorities, actions, and expected results.

The Ministry released a strategy progress report in March 2009 as well as a strategy discussion paper in July 2009. Other affected ministries (such as Community and Social Services; Children and Youth Services; Education, Training, Colleges and Universities; and Municipal Affairs and Housing) and external organizations are also helping to identify priorities for the strategy. The Ministry expects its 10-year Mental Health and Addictions Strategy to be released in December 2010.

The Ministry also informed us that LHINs are exploring the expanded use of the new multi-sectoral service accountability agreements with community mental-health organizations to further refine performance measures to ensure that resources are appropriately deployed based on needs. These agreements came into effect on April 1, 2009.

ACCESS TO SERVICES

Recommendation 2

To help ensure that people with serious mental illness have consistent, equitable, and timely access to community-based services that are appropriate to their level of need, the Ministry of Health and Long-Term Care should:

- *improve provincial co-ordination with the Local Health Integration Networks (LHINs) and other ministries that are involved in serving people with mental illness; and*
- *provide support to the LHINs—particularly in terms of knowledge transfer and data availability—that would enable them to effectively co-ordinate and oversee service providers as intended.*

The Local Health Integration Networks should:

- *work with service providers to improve the reliability of wait-list and wait-time information;*
- *collect and analyze wait-lists and wait times and use such information in determining the need for and prioritizing specific types and levels of service; and*
- *provide the necessary assistance to enhance co-ordination and collaboration among health-service providers.*

Status

The two-year multi-sectoral service accountability agreements between the LHINs and the community organizations implemented during the 2009/10 fiscal year include financial and statistical reporting requirements.

In our *2008 Annual Report*, we identified a new tool, the Ontario Common Assessment of Need

(OCAN), which is based on the Camberwell Assessment of Need being used in other jurisdictions to track client data and assess the health and social needs of people with mental illness. The OCAN tool enables knowledge transfer by allowing service providers to share standardized client assessment information, thus reducing repetitive information-gathering and improving the flow of data through the system.

At the time of our initial audit, the tool was being piloted in 16 community mental-health organizations across the province. The Ministry advised us that the pilot was successfully completed. These 16 organizations continued to use the tool and shared their expertise with others beginning to use the tool.

The Ministry targets March 31, 2012, for OCAN to be fully implemented across more than 300 community mental-health organizations. Once implemented across the sector, the tool is expected to produce high-quality data that support both the provision of mental-health care to clients and informed decision-making at the organization, LHIN, and Ministry levels.

The Ministry reiterated that it is the responsibility of the LHINs to co-ordinate and integrate local health services to serve client needs. The Ministry is working with them on community mental-health program issues such as improving wait times and availability of services.

Meanwhile, the Ministry also informed us that LHINs have been identifying their populations in need and are working with local providers to develop approaches to ensure that people with serious mental illness receive appropriate services.

FUNDING

Recommendation 3

To ensure that people with similar needs are able to receive a similar level of community supports and services, the Ministry of Health and Long-Term Care and the Local Health Integration Networks should collect complete data and adequate cost estimates to review

regional variations in population characteristics, needs, and health risks so that funding provided is commensurate with the demand for and value of the services to be provided.

Status

The Ministry informed us that it is still in the process of compiling financial and program performance data that could be used to facilitate an evidence-based allocation methodology for the community mental-health sector. In spring 2009, it received a four-year evaluation report on the impact of new funding. The Ministry has been working closely with the LHINs and service providers to develop a framework for new funding investments in the community mental-health sector. Ultimately, the Ministry expects to:

- provide evidence-based allocation of funding for community mental health; and
- develop strategies to address funding inequities across different regions so that clients with similar mental-health issues receive appropriate levels of treatment services wherever they live in Ontario.

However, at the time of our follow-up, the Ministry advised us that new funding methodologies for the mental-health sector had not been developed because it lacked consistent data from this sector. The Ministry further indicated that it has conveyed to addiction and mental-health agencies the need for the collection of consistent and complete clinical diagnostic and financial data sets in order to develop a reliable funding methodology.

HOUSING

Recommendation 4

To ensure that adequate supportive housing is available to provide people with serious mental illness with appropriate, equitable, and consistent care, the Ministry of Health and Long-Term Care and the Local Health Integration Networks should:

- *improve data-collection mechanisms and system monitoring to determine the number and type*

of housing units needed; the areas with serious shortages of housing; the levels of unmet needs, occupancy, and vacancy; and the adequacy and appropriateness of care provided to housing clients; and

- *ensure one-time capital funding is being spent in a timely and prudent manner.*

Status

The Ministry advised us that it is continuing to improve data collection in regard to housing needs. It further indicated that it will over the next few years refine, as required, and make more effective the existing housing allocation methodology based on the current portfolio and population. The Ministry further indicated that it is currently working with the Ministry of Municipal Affairs and Housing on a two-year, \$16-million capital grant program for the repair and regeneration of eligible social housing projects.

The Ministry also informed us that it has initiated accountability agreements and reporting mechanisms to monitor the implementation of one-time capital grants and ensure prudent and timely spending.

PROGRAM STANDARDS

Recommendation 5

To ensure that service providers are delivering comprehensive, consistent, and high-quality services in a cost-effective manner across the province, the Ministry of Health and Long-Term Care and the Local Health Integration Networks should:

- *improve data-collection mechanisms and reporting requirements to obtain relevant, accurate, and consistent information across the province for performance-monitoring purposes; and*
- *establish provincial standards, performance benchmarks, and outcome measures for at least the more critical programs against which the quality and costs of services can be evaluated.*

Status

The Ministry advised us that it is working to improve data collection from mental-health agencies and has formed an advisory committee that reviews all account codes and their definitions for appropriateness and applicability to the sector. The multi-sectoral service accountability agreements between LHINs and community mental-health organizations require the organizations to meet established financial and statistical reporting criteria. The Ministry also informed us that ongoing data quality feedback and education was being offered to this sector.

The Ministry further advised us that early psychosis intervention standards have been developed but not yet released. All agencies funded to provide early psychosis intervention programs will be expected to adhere to these new standards.

The Ministry informed us that it also has conducted a review of short-term crisis beds that is to help develop standards to address this need. These standards are expected to be finalized by March 2012.

PERFORMANCE MEASUREMENT AND REPORTING

Recommendation 6

To better enable it to assess whether the service providers are delivering services in a consistent, equitable, and cost-effective manner, the Ministry of Health and Long-Term Care should:

- *complete implementation of its comprehensive set of performance indicators and select targets or benchmarks that will enable the Ministry and Local Health Integration Networks to properly assess the performance of service providers;*
- *improve information systems to enable them to collect complete, accurate, and useful data on which to base management decisions and to help determine if services provided are effective and represent value for money spent; and*

- *report periodically to the public on the performance indicators for the community mental-health sector.*

Status

The Ministry informed us that a steering committee consisting of ministry and LHIN representatives is developing performance indicators, including those related to mental health. These indicators are to become part of the next accountability agreement now under development between the LHINs and the mental-health service providers.

At the end of the 2009/10 fiscal year, the Ministry told us that 91% of all community mental-health and addiction organizations met reporting requirements for financial and statistical data. According to the Ministry, new financial and human resources/payroll systems have been implemented for some organizations to simplify the processes for setting up and maintaining account information and for tracking data, and to streamline the process for submitting data to the Ministry.

The first two-year, multi-sectoral service accountability agreements include provisions for regular review of health-service providers, provisions to meet reporting requirements, and penalties in the case of non-compliance.

The Ministry indicated that it would consider the public reporting of performance indicators for the community mental-health sector.

MONITORING AND ACCOUNTABILITY

Recommendation 7

To ensure that all partners in the community mental-health sector—the Ministry, the Local Health Integration Networks (LHINs), and the service providers—are accountable to Ontarians for the effectiveness and quality of services, the Ministry should:

- *develop compliance mechanisms to monitor the LHINs' accomplishment of their stated priorities and provide feedback to the LHINs for improvement of their operations; and*

- *review settlement packages on a timely basis to ensure that funding is being spent in accordance with ministry guidelines and that significant funding surpluses are being recovered from service providers.*

The Local Health Integration Networks should:

- *develop guidelines together with the Ministry on monitoring service providers that include requirements to monitor significant third-party contracts and to ensure that community mental-health funding is being well spent.*

Status

According to the Ministry, LHINs are required to provide it with an annual progress update on their identified priorities. The Ministry informed us that its staff review and analyze this information and provide the LHINs with an opportunity to explain any variances and revise their targets and implementation as necessary.

The Ministry informed us that as of May 31, 2010, it had reviewed 98% of the backlog of settle-

ment packages up to and including those from the 2006/07 fiscal year. This substantially meets its commitment made at the time of our initial audit to clear this old backlog by March 31, 2009.

As well, the Ministry had completed 85% of the 2007/08 fiscal year settlements and the remaining 15% was under review. All settlements with material balances were expected to be completed by August 31, 2010.

In addition to working toward the elimination of the settlement backlog, the Ministry also informed us at the time of our follow-up that it had completed 30% of the 2008/09 fiscal year settlements.

In February 2009, the Ministry and the LHINs developed draft audit and review guidelines for hospitals that provide mental-health services. According to the Ministry, similar audit and review guidelines are currently under development for community agencies.