

## 2.12 Personal Care Homes

### Introduction

---

#### Legislative Authority

The *Health and Community Services Act* (the *Act*) provides that the Department of Health and Community Services has overall responsibility for governing personal care homes in the Province. The *Personal Care Home Regulations* (the *Regulations*) under the *Act* contain requirements relating to licensing, monitoring and inspecting these homes.

---

#### Overview

Licensed personal care homes are privately owned and operated facilities which provide residential accommodation to 5 or more adults who require care and assistance. Residents of these homes do not require daily services of professional staff such as physicians or nurses. They may, however, require assistance with their daily living activities such as bathing, dressing, or eating. As indicated in the following chart, as of November 2004 there were 93 personal care homes licensed in the Province with a total of 2,676 available beds, 2,139 of which were occupied.

Region	Number of Homes	Maximum Approved Beds	Beds Occupied
St. John's	24	521	446
Eastern	29	813	636
Central	22	794	632
Western	13	395	318
Grenfell	4	123	88
Labrador	1	30	19
Total	93	2,676	2,139

Source: Department of Health and Community Services

---

#### Licensing

Under the *Regulations*, applicants for licensing as a personal care home must have their premises inspected by an official of a Government Service Centre operated by the Department of Government Services. The applicant must then have their application reviewed by a regional health and community services board with respect to personal care standards. If all standards are met, the regional board will issue a licence.

---

---

## 2.12 Personal Care Homes

---

**Subsidies** The regional health and community services boards are responsible for the administration of personal care home subsidies. These subsidies are paid to personal care homes by the regional boards on behalf of eligible residents. As of November 2004, 1,259 of the 2,139 (59%) residents in personal care homes were subsidized. The maximum subsidy at that time was \$1,138 per month.

---

### Audit Objective and Scope

---

**Objective** The objective of our review was to determine whether there are adequate systems and processes in place to ensure that Government is enforcing the *Personal Care Home Regulations* with respect to licensing, monitoring and premises inspections.

---

**Scope** We completed our review in March 2005. The review covered the period from 1 April 2002 to 31 January 2005. Our review included an examination of:

- legislation and policies;
- correspondence;
- personal care home files; and
- resident subsidy files.

We also conducted interviews with staff of:

- the Department of Health and Community Services;
  - 3 Regional Health and Community Services Boards - St. John's, Eastern, and Central; and
  - the Department of Government Services.
-

## 2.12 Personal Care Homes

---

### Conclusions

---

**Department  
inadequately  
monitors  
Boards**

The Department of Health and Community Services is not doing an adequate job in determining whether the regional health and community services boards are complying with *Personal Care Home Regulations* and Departmental policies. This is evidenced by the fact that the Department does not require information relating to licensing, monitoring and inspecting. Instead, the Department receives monthly statistical reports which only show the number of beds (occupied, vacant, and subsidized), residents' level of care and whether a sprinkler system is in place.

---

**Care  
assessments  
inconsistent**

The Department does not assess whether residents are receiving a consistent and adequate level of care. Residents are assigned a level of care by board staff using an assessment process which requires significant professional judgment. A Manager at the Department indicated that there are discrepancies in how the boards are assessing the level of care for the residents. Furthermore, a report prepared for the Department in 2004 stated that personal care home owners indicated that the “...*determination of the levels of care seem to be subjective and not a true representation of client care requirements.*” The Department does not review resident assessments to ensure consistency across the Province.

---

**No  
performance  
indicators**

The Department has not established performance indicators which could be used to assess the effectiveness of the personal care home program in providing residents with the required care. As a result, the Department cannot conclude whether the personal care home program is producing the desired results.

---

**Boards not  
fully complying  
with  
*Regulations***

The regional health and community services boards are not fully complying with the *Personal Care Home Regulations* and Departmental policies. Our review of the activities at the boards disclosed serious concerns relating to how personal care homes are licensed, monitored and inspected. Examples of deficiencies noted in our review of 24 homes during the period April 2002 to January 2005 indicated that:

---

## 2.12 Personal Care Homes

---

- Licensing standards were not enforced. For example:
    - 7 homes operated for a period without a valid licence; and
    - 22 homes did not provide the boards with confirmation of insurance covering the entire period.
  - Monitoring of care standards require improvement. For example:
    - 13 homes did not have all required annual reviews conducted by the boards during the period. Furthermore, the Department has not developed standardized forms to ensure consistency of annual reviews.
    - 16 homes did not submit all required monthly bed status reports to the boards during the period.
    - Although the Department's policy requires periodic monitoring visits, it does not provide guidance as to what constitutes periodic. Therefore, it was not possible to determine whether or not there was compliance with the policy. This situation also led to inconsistencies in the frequency of visits by the boards, for example, a draft policy at the Eastern board referred to 4 visits per month, while the draft policy at the Central board only referred to “regular” visits. The St. John's board does not compile summary information on periodic visits. Our review indicated that there were months when there was no evidence of any visits.
    - As a result of the ambiguity of the Department's policy relating to required staff levels at the homes, it was not possible for the boards to determine how many staff were required for homes which had either over 45 residents or greater than 25% of Level II residents. For the 14 of the 24 homes where the policy provided guidance and documentation on staffing levels was on file at the board, we found 4 homes had incidents of inadequate staffing.
  - Annual fire and life safety, and environmental health inspections were not completed within the required annual time frame. During the period of our review, the 24 homes in our sample required 65 inspections; however, 7 homes did not have all fire and life safety inspections performed and 11 homes did not have all environmental health inspections performed.
-

---

## 2.12 Personal Care Homes

---

### **Non-compliant home issued licence**

In July 2002, the St. John's Regional Health and Community Services Board decided that it could not approve the licence of a home which did not meet building standards for minimum room sizes. Based on a complaint, the Board determined in March 2003 that the home was operating without a licence. The home continued to operate without a licence and in June 2003 the Minister of Health and Community Services directed the Board to issue the licence to the home even though it did not meet licensing requirements. Based on this direction, the Board issued the licence in September 2003.

---

### **Detailed Findings**

---

#### **Background: Government Responsibilities**

While personal care homes are privately owned and operated, Government controls many of their activities.

- Personal care homes may operate only with a valid licence, which is issued by the regional boards.
  - Homes must meet fire, and life safety and environmental health standards and are subject to inspections by Government Services Centre officials.
  - Care and additional safety standards which personal care homes must meet are established by the Department. Regional boards monitor the homes for compliance with these standards.
  - Government provides financial assistance to eligible residents. The Department provides each regional board with funding for subsidized residents, with the regional boards administering this funding.
  - Admissions to personal care homes are controlled through a single entry system at each regional board.
-

## 2.12 Personal Care Homes

---

### 1. Department Inadequately Monitors Boards

---

#### Overview

The Department of Health and Community Services has overall responsibility for personal care homes in the Province.

Responsibilities of the Department include:

- review, monitor and update personal care home legislation and policies;
- establish standards and qualifications for persons involved in personal care; and
- determine facility, licensing, care and monitoring standards.

While the *Regulations* provide that administration of the personal care homes is assigned to the regional health and community services boards (licensing, care and monitoring) and the Government Service Centres (premises inspections), it would be expected that the Department would review and assess the work of the boards to ensure that its overall responsibilities were met.

---

#### Department does not collect quality of care information

Each regional board provides the Department with monthly statistical information. This information lists personal care homes, and includes for each home:

- the number of beds
  - licensed;
  - occupied;
  - subsidized;
- residents assessed level of care; and
- the status of sprinkler system.

## 2.12 Personal Care Homes

The Department does not receive information relating to:

- licence renewals;
- annual reviews performed;
- routine monitoring completed; or
- other quality of care information, such as nutrition, accidents, physical functioning and infection control.

The Department has not identified the information that it requires from the Boards to enable it to monitor their activities. The Department relies upon the regional boards to monitor compliance with *Regulations* and policies, however fails to ensure such monitoring has occurred.

**Direction  
provided  
requires  
improvement**

The Department of Health and Community Services developed the Policy Directive Manual Governing Personal Care Homes under the authority of Section 15(1) of the *Personal Care Home Regulations*. It establishes additional standards which personal care homes must meet.

### **Minimum staffing policy undefined**

Minimum staffing is defined for homes with:

- up to 45 Level I residents, or
- up to 45 residents with a maximum of 25% Level II residents.

However, staffing for other combination of residents or when occupancy exceeds 45 beds is “*as defined through consultation with the Regional Board. The consultation is necessary to ensure the appropriate level of staff is available to meet the assessed needs of residents which may exceed the (defined) resident population*”.

As of 29 November 2004, 30 of the 93 (32%) homes in the Province did not meet criteria for defined staffing, as follows:

- 18 homes with more than 25% Level II residents, ranging from 26% to 50% Level II residents in the home; and
- 12 homes with licensed capacity in excess of 45 beds, one of which is licensed for up to 96 residents.

## 2.12 Personal Care Homes

We reviewed 10 homes to determine what information was on file to show how staffing was assessed as appropriate by the regional boards, as shown below.

Region	Homes Reviewed	Documentation Found for these Homes
St. John's	3	For each home, staffing was provided in accordance with minimum for homes with up to 25% Level II residents.
Eastern	2	Home A - staffing schedule from 2000 provided Inadequate staffing for November 2004 occupancy.
		Home B - staffing schedule from 2003 was provided. Letter from Board to home stated staffing approved.
Central	5	Board staff indicated staffing at the home was sufficient during the homes annual review. However board staff did not document the approved staffing schedule. We were therefore unable to determine what staffing standard the board staff had assessed.

### **Policies require more frequent updates**

The policy directive manual was last revised in January 2000. A draft manual revised in April 2004 was provided, however it had not yet been made effective at the time of our review. Policies alone do not guarantee appropriate care and services for residents. However, they guide caregivers about the basic level of care and services to provide to residents.

Two of the 3 regions reviewed have developed policies and procedures of their own to either clarify or add to the policy directive manual. This can result in differences from region to region in the level of services provided to residents. This is appropriate if the levels of services differ in the regions because of the needs and preferences of residents within a region. However, differences arising as a result of boards supplementing the policy directive manual with their own policies and procedures may result in differences in basic care among the regions.

### **No policy on re-assessment frequency**

The policy manual does not establish a frequency for when re-assessments are required for residents. Re-assessments assist in determining whether there has been a change in the care requirements of the resident and may result in a change in the plan of care for the resident.



---

## 2.12 Personal Care Homes

---

### **Policies require formal documentation of non-compliance protocols**

The policy manual lacks documented non-compliance protocols to ensure facilities rectify non-compliance with *Regulations* and policies. We are pleased to note however that the revised draft policy does include non-compliance protocols.

### **Monitoring documentation inconsistent**

The Department has not provided regional boards with annual review forms or database systems to monitor personal care homes compliance with legislation and policies. This has resulted in inconsistency between regional boards for what areas they document as reviewed during their annual compliance assessments. For example, one region documents actual and approved staffing during their annual review, whereas another region has a line where they indicate whether standards are met.

Direction and guidance provided by the Department requires formal documentation and improvement.

---

## **2. Care Assessments Inconsistent**

---

### **Overview**

To evaluate the long-term care requirements of adults requiring assistance, the Department developed a continuing care assessment tool. The assessment tool is used to evaluate the care required for adults requesting:

- home care;
- entry into a personal care home; or
- entry into a nursing home.

The regional boards use the assessment tool to determine the level of care required by residents. The assessment tool, revised in 1999, includes 6 areas for assessment including physical and mental health status. It is a 17 page form which is completed manually by the regional board staff.

Officials from the Department and the regional boards agree that the assessment tool is subjective as it requires a high level of professional judgment.

---

## 2.12 Personal Care Homes

---

### Assessment tool inadequate for ongoing assessments

In a report prepared by the Central West Health Corporation, officials found the provincial assessment tool to be inadequate for ongoing assessments as it:

- does not generate quality indicators;
  - cannot be used to facilitate quality of care comparisons; and
  - is not designed to capture data electronically and therefore any facility-wide or corporation-wide review of the data generated by the assessment would require an exhaustive manual review which would be far too resource intensive.
- 

### Indicators of inconsistencies in assessments

A Manager at the Department indicated that there are discrepancies in how the boards are assessing the level of care for the residents.

A report prepared for the Department in 2004 stated that personal care home owners indicated that the “...*determination of the levels of care seem to be subjective and not a true representation of client care requirements.*” This report also found that “*the profile of a level 1 or 2 resident in (a personal care homes) is not consistent within a home or between homes*”.

Despite concerns over inconsistency in assessments, the Department does not review resident assessments to promote consistency across the Province.

---

### Alternative assessment tools

There are alternative assessment tools available. The Central West Health Corporation (the Corporation) piloted an alternative assessment system, RAI-MDS 2.0, from January 2001 to January 2002 in one of the long-term care facilities it operates.

#### Background - RAI-MDS 2.0

Six provinces in Canada are using the RAI-MDS 2.0 system, which is also mandated for use in nursing homes in the United States. The system is supported by a non-profit organization comprised of international researchers.

## 2.12 Personal Care Homes

---

### Corporation findings and recommendations

The Corporation found the system provided a comprehensive overview of the long-term care population, and generated quality indicators and outcome measures that can be used to improve resident care. The Corporation concluded that the RAI-MDS 2.0 is superior to the current provincial assessment tool in terms of its validity and ability to capture data electronically.

The Corporation recommends the Department of Health and Community Services mandate the use of the RAI-MDS 2.0 in all long-term care facilities within the Province. The Corporation continues to use the RAI-MDS 2.0 for resident assessment and care planning purposes in the piloted facility.

---

#### No policy for re-assessment frequency

Departmental policy does not establish a frequency for when re-assessments are required for residents. Re-assessments assist in determining whether there has been a change in the care requirements of the resident and may result in a change in the plan of care for the resident.

As there is no direction on the re-assessment frequency we were unable to determine if client care requirements were re-assessed to ensure adequate care is being provided. All 3 regions indicated they re-assess residents when a change in the residents' physical or mental health status is noted by either the resident or residents' family, the home operator or by board staff. The Eastern region's draft policy requires annual re-assessments.

It is possible that a change in the care requirements of a resident may go unnoticed for some time. Frequent re-assessments would assist in ensuring adequate care is being provided to the resident.

---

### 3. No Performance Indicators

---

#### Department mission and values

The Department's mission statement is: *“To provide quality health and community services to improve the health and wellbeing of individuals, families, and communities.”*

A key value the Department has identified is a belief in *“quality programs and services”* and *“being accountable to the people of Newfoundland and Labrador”*.

---

---

## 2.12 Personal Care Homes

---

### Accountability

A fundamental principle of accountability is that an entity cannot be accountable to itself. True accountability requires that entities be held accountable to those who provide the resources for their operations.

The Department, having overall responsibility for personal care homes in the province, would be expected to be able to show that personal care home residents have received adequate care. Quality of care information can be used to determine whether the services provided are effective.

Regional boards are accountable to the Department for its activities. The regional boards are responsible for ensuring quality care and accommodations are provided in personal care homes in accordance with the *Regulations* and government policies.

We would expect the regional boards to provide the Department with:

- a plan for how it intends to ensure quality care is provided, including measurable goals and objectives; and
- performance reports which show actual results and explanations for variances from their plan.

We reviewed the annual reports of the Department and the regional boards. The information they contained was limited to statistics such as the number of homes and beds licensed.

As a result, the Department cannot conclude whether the personal care home program is producing the desired results.

---

### Re-assessments may be used to provide quality indicators

Quality indicators highlight either the presence or absence of potentially poor care practices or outcomes. RAI-MDS 2.0, discussed in section 2 of this report, is designed to provide improved client outcomes and reliable data for monitoring and evaluation. This is achieved in large part through the use of comprehensive re-assessments. Re-assessments assist in identifying and managing emerging problems, and may prevent further escalation of a problem or potential problem.

The RAI-MDS 2.0 system provides quality indicators which are recognized by the Canadian Council on Health Services Accreditation as valid, reliable indicators. The public could then use these quality reports to evaluate the performance of facilities that are providing care to their relatives.

---

## 2.12 Personal Care Homes

### 4. Boards Not Fully Complying with *Regulations* and Policies

---

**Background:  
*Regulation* and  
policy  
requirements**

***Regulation* requirements**

All homes providing personal care and accommodation to 5 or more adults must be licensed in accordance with the *Regulations*. Additional regulations include requirements for homes to:

- carry commercial general liability insurance;
- comply with national building, fire and electrical codes;
- obtain staff health and safety certifications;
- conduct monthly fire and emergency evacuation procedures; and
- comply with policies and guidelines the Minister establishes.

**Policy requirements**

The Department of Health and Community Services developed the Policy Directive Manual Governing Personal Care Homes. The manual outlines policies relating to:

- licensing and approval of personal care homes;
  - coordination of resident admissions, including level of care assessments and submission of monthly bed status reports;
  - minimum staffing requirements;
  - additional building design and fire life safety standards, as well as requiring annual fire and life safety, and environmental health inspections;
  - resident care;
  - subsidy assessments including the requirement for quarterly reports; and
  - the monitoring process, including the requirement for a formal annual review.
-

## 2.12 Personal Care Homes

### Residents care requirements may not be met

The boards must determine whether homes meet the *Regulations* and Government policies, which are ultimately intended to ensure residents' needs are met. Assurance is obtained through licensing, monitoring and inspection activities. Without this assurance, the boards will not know if these requirements are being met, and the residents may not get the service required.

### All licensing standards not enforced

#### Homes continued operations after licences expired

Under the *Regulations*, a person shall not operate a personal care home without a licence. However, in each region reviewed, the regional boards permitted homes to operate after their licence had expired.

Of the 24 homes reviewed, 7 homes had gaps in their licence renewals, ranging from 1 month to 24 months. Residents continued to receive personal care at the homes, and in 2 of the 7 homes new residents were admitted. These homes were operating outside of the legislation since they continued to operate a personal care home without a valid licence.

#### Confirmation of insurance not always documented

Section 10 of the *Regulations* requires licensed personal care homes to carry commercial general liability insurance.

While there was evidence of insurance when personal care homes received their initial licence, there was insufficient documentation for subsequent periods. The St. John's region requests proof of insurance upon initial licensing only. The Eastern and Central boards request homeowners fill out board prepared forms noting insurance particulars, however the forms are not consistent and their use is sporadic. As the table below shows, only 2 of the 24 homes reviewed had documentation for all periods.

Region	Number of Homes Reviewed	Number of Homes with Documentation for all Periods
St. John's	8	0
Eastern	9	2
Central	7	0
Total	24	2

## 2.12 Personal Care Homes

### Monitoring of care standards require improvement

#### Annual reviews

Annual reviews of personal care homes are not being performed in accordance with Departmental policies. The formal review documents compliance with policies in the home, such as resident care, staffing, and dietary requirements.

We reviewed 24 personal care homes to determine whether annual reviews were performed between 1 April 2002 and 31 January 2005. As detailed below, annual reviews were not performed as required in 17 instances.

Board	Number of Homes Reviewed	Annual Reviews Required	Annual Reviews Performed	Annual Reviews not Performed	Number of Homes with all Reviews Performed
St. John's	8	21	20	1	7
Eastern	9	18	11	7	2
Central	7	19	10	9	2
Total	24	58	41	17	11

Annual reviews are not being performed on a timely basis. We would expect annual reviews to occur every twelve months. Gaps between reviews ranged from 13 months to 28 months. Of the 24 homes we reviewed, annual reviews were not performed as required for 13 homes for a total of 17 instances.

#### Staffing compliance questionable

There is inadequate documentation for compliance with *Regulations* with respect to a current certificate of conduct and staffing.

Staff from each of the health and community services boards reviewed indicated that they request a certificate of conduct for new employees only.

The policy states that staffing requirements for homes with more than 45 residents or more than 25% Level II residents are to be as defined through consultation with the regional board. We reviewed 10 homes which met these criteria to review documentation of consultation and approval. Of these 10 homes, there was sufficient documentation indicating staffing had been approved in only 1 case. For the 14 of the 24 homes reviewed where staffing was defined, there were 4 instances of inadequate staffing documented.

## 2.12 Personal Care Homes

### Homes not submitting monthly bed status reports

The monthly bed status report detailing the home's activity for admissions, transfers, deaths/discharges, and overall occupancy are not being submitted by the home operators as required. These reports serve as a control mechanism to ensure each Board has captured resident activity, as changes may impact areas such as subsidies and waitlists.

We reviewed the monthly reports on file for the period from 1 April 2002 to 31 December 2004. As the table below shows, 245 of the 703 required reports were not on file. Two regions (St. John's and Eastern) have just over 50% compliance.

Region	Number of Homes Reviewed	Number of Required Reports	Number of Reports not on File	Number of Homes submitted all Reports	Number of Homes with no Reports Filed
St. John's	8	245	119	1	3
Eastern	9	251	122	2	3
Central	7	207	4	5	0
Total	24	703	245	8	6

Monthly bed status reports are not being submitted by the homes as required. Of the 24 homes reviewed, 6 did not submit a single monthly bed status report.

### Routine monitoring not well documented

The boards do not have a process to ensure sufficient routine monitoring of care provided in the homes is occurring. Government policy does not define the frequency requirement for visits. However a draft policy developed by the Eastern Regional Health and Community Services Board requires a minimum of 4 monthly visits.

To ensure adequate monitoring is occurring we would expect each board to have developed a monitoring plan, conduct risk assessments for each home to determine if more frequent visits are appropriate, and prepare a summary of visits performed, noting non-compliance with policies and *Regulations*. None of the boards reviewed prepare a formal monitoring plan or prioritize their monitoring using a formalized risk management tool.



## 2.12 Personal Care Homes

The existence and contents of monitoring reporting varied between regions, as follows:

- the St. John's region does not prepare a summary report for visits;
- staff in the Eastern region submit forms indicating the number and type (care, training, annual review) of visits performed; and
- nurses in the Central region indicate the number of visits per home.

Officials with both the Eastern and Central region informed us that additional visits were performed but not captured on the reports. These reports do not appear to be reviewed for completeness, nor do they identify non-compliance.

We reviewed the reports from January 2003 to January 2005. The table below summarizes our findings.

<b>Region</b>	<b>Number of Homes Reviewed</b>	<b>Total Months</b>	<b>Months with 0 Visits Documented</b>
St. John's	8	n/a	Note 1
Eastern	9	206	42
Central	7	163	57
<b>Total</b>	<b>24</b>	<b>369</b>	<b>99</b>

Note 1: The St. John's region does not summarize visits performed per home.

As the table above shows, for 99 (27%) months there were 0 documented visits. In the Central region, 1 home had 0 documented visits throughout the period. During a meeting with the home operator in April 2003, it was noted by Board officials that staffing standards were not met. During a follow-up visit in July 2003 the home was noted as still not complying with minimum staffing.

Routine monitoring is not well documented to ensure adequate visits at each home are occurring. As the boards have been assigned the responsibility of monitoring the homes, we would expect systems in place to ensure adequate monitoring has occurred.

## 2.12 Personal Care Homes

### Premises standards

In accordance with Government Policy, personal care homes are required to have annual fire and life safety, and environmental health inspections.

#### Fire and life safety inspections

We selected 24 personal care homes from the period 1 April 2002 to 31 January 2005, to determine if annual fire and life safety inspections had been completed as required. As the table below shows, inspections were not completed as required in 8 instances.

HCS Region	Number of Homes Reviewed	Annual Inspections Required	Number of Homes with all Inspections Performed	Annual Inspections not Performed
St. John's	8	21	5	3
Eastern	9	24	8	1
Central	7	20	4	4
Total	24	65	17	8

#### Environmental health inspections

We selected 24 personal care homes from the period 1 April 2002 to 31 January 2005, to determine if annual environmental health inspections had been completed as required. As the table below shows, inspections were not completed as required in 14 instances.

HCS Region	Number of Homes Reviewed	Annual Inspections Required	Number of Homes with all Inspections Performed	Annual Inspections not Performed
St. John's	8	21	4	7
Eastern	9	24	6	3
Central	7	20	3	4
Total	24	65	13	14

## 2.12 Personal Care Homes

### Weaknesses in subsidy

Residents are eligible for subsidization when their income and liquid assets are insufficient to privately pay for personal care home care. At the time of our review, the maximum subsidy was \$1,138 per month.

#### **Annual eligibility re-assessments not performed**

Government policy requires annual re-assessments to confirm continued subsidy eligibility. Boards are not conducting annual re-assessments in accordance with this policy. We reviewed 67 resident subsidy files for the period 1 April 2003 to 31 January 2005 to determine whether annual re-assessments were performed as required. As the table below shows, annual re-assessments were not performed in 65 instances.

Region	Number of Resident files Reviewed	Number of Re-assessments Required	Annual Re-assessments not Performed
St. John's	14	26	17
Eastern	29	42	20
Central	24	34	28
Total	67	102	65

#### **Quarterly reports not received**

Government policy requires homeowners to submit subsidized resident's income quarterly reports. Operators of personal care homes are not submitting these reports in accordance with policy. These reports serve as a control mechanism to ensure changes in residents' income is reflected in their subsidy eligibility calculation.

Of the 24 homes we reviewed, 23 received subsidies for its residents. We reviewed the files of 23 homes with subsidized residents for the period of February 2003 until November 2004 to determine compliance with the policy. The table below summarizes our findings. As it shows, 15 of the 162 reports required were not on file and 21 were filed late or filed with errors.

## 2.12 Personal Care Homes

Region	Number of Homes Reviewed	Number of Reports Required	Number of Reports not Filed	Reports Filed Late or with Errors
St. John's	7	48	7	15
Eastern	9	62	5	6
Central	7	52	3	0
Total	23	162	15	21

### Inadequate review of discrepancies in financial information

In one of the resident subsidy files reviewed:

- the applicant had been paying for the personal care home privately;
- the applicant's bank account depleted each month by the fee charged by the home, in addition to some other miscellaneous expenditures;
- during this time, the applicant was receiving approximately \$1,200 per month in CPP/OAS; and
- no deposits to the bank account occurred.

Staff of the board did not enquire as to the status of the CPP/OAS cheques.

Therefore, the funds were either:

- retained by the resident in cash or in an undisclosed bank account;
- received and spent by the applicant; or
- retained by others, either with or without the resident's knowledge.

Subsequent to our review, staff from the Board contacted the resident's family to question where the money was deposited. We were informed that the resident's family cashed the cheques and provided the funds to the resident. No further follow-up was performed.

The staff did not identify inconsistencies in the financial information provided, nor did they appear to be aware that this inconsistency may indicate a misappropriation of assets. There is no policy on detection and appropriate action for such financial inconsistencies.

---

## 2.12 Personal Care Homes

---

### Subsidy overpayments not recovered

The Central Regional Health and Community Services Board does not recover overpayments to homes as a result of increases in old age security payments. Recipients of old age security receive periodic increases as determined by the Federal government. These increases are received after the board has provided the homeowner with subsidy payment for that month.

The Central board does not recover these amounts. As the database used by the Central board does not contain historical information, we were unable to determine the amount of overpayments during the period reviewed. Personal care homeowners therefore received excess subsidy to which they were not entitled.

---

## 5. Non-compliant Home Issued Licence

---

### Requirements

All homes providing care to 5 or more adults must be licensed in accordance with the *Regulations*. All homes must also meet care and premises standards. These standards are established through the *Regulations* and the policies established under the authority of the *Regulations*.

---

### Home opened without licence

One home which was denied licensure by the St. John's Health and Community Services Board began operations in direct contravention of the *Regulations*. A summary of events follows.

- In March 2002, the home operator applied for a personal care home licence.
  - In July 2002 the application was denied as the facility did not meet building standards for minimum room sizes under Department policy.
  - In March 2003 Board staff visited the premises in response to a complaint and found 9 residents in the home. The home's marketing material stated it provided accommodation for seniors requiring Level I and Level II care and 24 hour personal care. No penalty was imposed upon the homeowner as is provided under the *Health and Community Services Act*; however the homeowner was instructed not to admit additional residents.
-

---

## 2.12 Personal Care Homes

---

### Licence issued

In June 2003, the then Deputy Minister of Health and Community Services approved the licence of the home under Section 8(6) of the *Personal Care Home Regulations*, commonly referred as the “grandfathering” provision. A licence was issued by the Board in September 2003.

### “Grandfathering” overview

Under section 8(6) of the *Regulations*, a premises in which personal care was offered to adults immediately before coming into force of the *Regulations*, may be granted a licence provided the regional board is satisfied that the personal care of the residents will not be affected and prior written approval of the Minister is given. The *Regulations* came into force on 1 June 2001.

---

### Summary

As this home was not operational immediately prior to the *Personal Care Home Regulations* coming into effect it does not meet *Personal Care Home Regulations* requirements and should not have been licensed.

---

### Recommendations

---

#### Department of Health and Community Services

*The Department of Health and Community Services should:*

- *review the regional boards licensing, monitoring, and assessing activities to ensure its overall responsibilities are met;*
  - *provide timely and clear direction to the regional boards;*
  - *assess whether residents are receiving a consistent and adequate level of care; and*
  - *establish performance indicators.*
-

---

## 2.12 Personal Care Homes

---

**Regional  
Health and  
Community  
Services Boards**

***Licensing***

*The boards should:*

- *monitor activity and documentation within the homes to ensure licensing requirements are met.*

***Monitoring***

*The boards should:*

- *ensure annual reviews are performed and documented as required;*
- *plan, conduct and document routine monitoring; and*
- *ensure homes submit all documentation required.*

***Inspecting***

*The boards should:*

- *ensure that annual fire and life safety, and environmental health inspections are conducted for all personal care homes.*

***Subsidy***

*The boards should:*

- *ensure annual reassessments are performed as required; and*
  - *promptly recover any overpayments.*
-

## 2.12 Personal Care Homes

### Response

Department of  
Health and  
Community  
Services

---

***The Department of Health and Community Services should review the regional boards licensing, monitoring and assessing activities to ensure its overall responsibilities are met.***

*The Department is currently reviewing the rate structure and operational standards for personal care homes. The operational standards include licensing, monitoring of care and assessment activities. During this review process, we will identify and implement enhanced reporting requirements by the regional health authorities related to monitoring of care, licensing and inspection of personal care homes. This will assist the Department in ensuring its overall responsibilities for the personal care home program are being met. We will seek Government approval to change the rate structure and subsidy policies in personal care homes in 2006/07 with a view to making improvements in the personal care home program for provincial residents.*

***The Department of Health and Community Services should provide timely and clear direction to the regional boards.***

*The Department acknowledges that the policy manual governing personal care homes has not been updated since 2000 and this may have caused regional variations in policies being introduced in the sector. A new draft manual has been developed in consultation with the regional integrated health authorities, the Department of Government Services and the Personal Care Home Association. Once the rate structure review is completed, we will focus on finalizing and introducing the new policy manual. We anticipate a target date of Spring 2006. As part of the Department's 3 year strategic plan, monitoring of health and community services is a key strategic direction and we will be developing a framework to enhance our monitoring capabilities for various services, including the personal care home program.*

***The Department of Health and Community Services should assess whether residents are receiving a consistent and adequate level of care.***

*Under the Personal Care Home Regulations, the Department has delegated responsibility for ensuring personal care home residents receive consistent and adequate care to the regional integrated health authorities. The Department does not have staffing resources to enable it to perform an audit function related to resident care assessments. The health authorities bring care and licensing issues to the Department on a case specific basis. We do acknowledge that overall activity reporting for*



---

## 2.12 Personal Care Homes

---

*specific time periods would allow us to more fully assess issues or trends and assist with policy changes where necessary. We will look at opportunities to improve reporting and monitoring of resident care needs in personal care homes during the upcoming fiscal year.*

***The Department of Health and Community Services should establish performance indicators.***

*The Department recognizes the need to introduce new monitoring mechanisms related to the personal care home sector. The Department will work with the regional integrated health authorities to establish performance indicators that will allow the Department to measure the effectiveness of the personal care home program.*

*With respect to the specific conclusions outlined in your report, the Department offers the following comments.*

### ***1. The Department Inadequately Monitors Boards***

*The Department does not have a formal process in place for determining whether the regional health authorities are complying with the Personal Care Home Regulations and Departmental policies. We will work towards introducing a monitoring activity report in this sector but visits to perform audit functions are not possible within our existing staffing levels. The new policy manual for the personal care home program will also provide up-to-date operational standards to guide the regional health authorities on service delivery, licensing and monitoring activities. These operational standards will provide the Department with a basis to develop performance indicators to monitor the work of the health authorities in this program area. While it is the authorities' responsibility to monitor resident care provided in these homes, we recognize that it is the Department's responsibility to ensure the authorities are carrying out timely and appropriate monitoring activities.*

### ***2. Care Assessments Inconsistent***

*Based on information provided by the regional integrated health authorities, the Department acknowledges that there is subjectivity in the existing resident care assessment process for the personal care home program. We would, however, argue that along with objective assessment criteria, the clinical judgement of professional staff is also important in identifying an individual's care needs and whether a personal care home is the appropriate care option.*

---

## 2.12 Personal Care Homes

---

*The MDS 2.0 long term care assessment tool referenced in your report has been introduced in some nursing homes and continued implementation is subject to additional monies being made available in the 2006 budget. We have not assessed the appropriateness of the MDS 2.0 long term care assessment tool for personal care homes. As part of our long term care and community supports strategy which is under development, we are looking at new assessment tools for community based services, including personal care homes.*

### **3. No Performance Indicators**

*The Department concurs with your recommendations that performance indicator reporting would enable us and the regional integrated health authorities assess the effectiveness of the personal care home program. We will begin the process of indicator reporting in 2006/07.*

### **4. Boards not Fully Complying With Regulations**

*Departmental staff have consulted the Eastern and Central health authorities on the issues raised in your report related to license renewals, annual inspections, annual financial assessments and bed status reports. The health authorities advise us that they are now compliant with completing assessments and documentation in a timely manner. The responses from the health authorities will provide further details on these matters.*

*The Department has also been advised that the timeliness of inspections for fire and life safety has improved considerably due to increased communication between the regional integrated health authorities and the Department of Government Services. The Department will introduce reporting on inspections by the health authorities to enable us to assess the level of compliance with inspection timelines.*

*Given the growth in the number of personal care homes across the province, it is becoming increasingly more difficult for the health authorities to perform monitoring activities within existing staffing resources. The Department does not have the fiscal flexibility to provide additional resources to the health authorities to address this matter.*

## 2.12 Personal Care Homes

### 5. *Non-Compliant Home Issued License*

*In 2003 the then Minister of Health and Community Services used Ministerial powers to permit a home that met fire, life safety and environmental regulations to be licensed under the “grandfathering” provision (section 8(6)) of the Personal Care Home Regulations, even though not all room sizes met Departmental policy. Since the home became operational, the Eastern health authority advises us that they have not identified any policy infractions or resident care issues. There has been no reason to rescind the license issued in 2003.*

**Eastern  
Regional  
Integrated  
Health  
Authority**

*As the Auditor General is aware, on 01 April 2005, the Eastern Regional Health Authority (Eastern Health) was created to assume the assets, obligations and operations of seven separate health organizations, two of which were Health and Community Services Eastern, and Health and Community Services St. John's. As the Auditor General's review of Personal Care Homes covered the period 01 April 2002 to 31 January 2005, all of the observations, conclusions, and recommendations contained in the report relate to occurrences during the mandate of these former organizations as they then existed under legislation. Eastern Health is pleased to respond to the Auditor General's report resulting from the review of Personal Care Homes, but would ask that the Auditor General be aware that, in so doing, we did not have the benefit of direct supervision of these matters during the period under review. We would also indicate that our response is limited to the section of the report “Boards not fully complying with Regulations”.*

*As the Auditor General is aware, the Regulations referenced in the report were enacted on 31 March 2000; and in reviewing information provided in the Auditor General's report and information subsequently provided by staff who continue to work in this area, we are satisfied that these previous organizations started a reasonable process to achieve full compliance with these Regulations which are directed to ensuring that services provided to the residents of these homes meet standards for safety and for quality of care. Eastern Health agrees that during the period 01 April 2002 to 31 January 2005 the organizations were “...not fully complying with the “Personal Care Homes Regulations and the Departmental policies.” Further, Eastern Health accepts the Auditor General's recommendations as they relate to this section of the report.*

---

## 2.12 Personal Care Homes

---

*Eastern Health is pleased to advise the Auditor General that, due to the past efforts of staff of these organizations and the continued efforts of our Eastern Health staff, all of the Auditor General's observed instances of non-compliance with Regulations and Departmental policy have been reviewed; and we now feel we are either in full compliance or have plans to achieve full compliance within a reasonable time frame. The following are some examples of work being done to address compliance issues:*

- *It is noted that all 58 personal care homes in the Eastern Health region are fully compliant with re-licensing standards, and a strict review schedule is being enforced. We are also working on the development of a plan to enable multi-year licenses for personal care homes meeting or exceeding standards. As well, a review schedule has been implemented and all reviews are current.*
- *With respect to insurance, the current practice of Eastern Health requires verification during the initial licensing process and the annual review process. A copy of the current insurance policy will be retained on personal care home monitoring files.*
- *All 58 personal care homes in the region have a current valid license, and the annual fire and life safety inspections were current at the time of re-licensing. A monitoring system is in place to ensure fire and life safety inspections and environmental health inspections due between review periods are completed on time. We continue to work with Government Services Centers to ensure inspections are completed in a timely manner.*

*While our current state of compliance is reassuring to us, we are very concerned with past lapses in requirements for annual fire and life safety inspections and annual environmental health inspections. Eastern Health is committed, through these Regulations, to the highest standards of personal care for residents of these homes, but our first concern is and will continue to be safety from fire and other serious threats to life safety.*

*The Auditor General should also be aware that shifts in population and demographics are spurring unprecedented growth in personal care home beds in this region. Monitoring standards for safety and quality of care require significant resources, and we are concerned that this growth may eclipse our current capacity to properly monitor these Regulations. As follow up, we will discuss this issue with the Department of Health and Community Services during our 2006-07 budget consultation process.*

---

## 2.12 Personal Care Homes

### Central Regional Integrated Health Authority

#### **Section 1. Department Inadequately monitors Boards**

- *Minimum staffing policy undefined*

*It is noted in this section that 5 homes in the central region were reviewed for this detail and all five homes reviewed indicated the staffing standard was met. This was indicated on the annual review form but not accepted as sufficient by the Auditor General. To meet the standard outlined would require the reviewer to have discussion with the home owner on that particular section of the Provincial Policy Directive manual. The home size and resident composition would be known prior to the review. It was not a requirement of the reviewer to include the staff schedule.*

*The professional judgment and integrity of the reviewer should be considered adequate in this instance to identify this as a standard met.*

*In January 2005 a new annual review form was developed by the region. The new form was shared with the Province. It provides more details in this particular section. Staff schedule and numbers are outlined in the comment section.*

#### **Section 2. Care Assessment Inconsistent**

*The policy for re-assessment is to re-assess a resident when there is a change in the residents' physical or mental health status as noted by either the resident, family, the home owner or board staff. Re-assessment frequency is also at the discretion of the professional but is not done when a resident remains well physically and mentally and often as a fully functional active resident. The professional staff have many demands on their time that must be prioritized in that regard. Many personal care home residents require no care but prefer the provision of the instrumental tasks of daily living. The professional judgment of staff should be considered adequate with respect to re-assessment.*

#### **Section 4 Boards not Fully Complying with Regulations and Policies**

##### **Homes continued operations after licenses expired.**

*These comments are not specific as to which region it references but issues are complex and often involve many government departments in order to finalize an annual review. The expiration of a license, while waiting for documentation, a report or a schedule date to get multiple professionals together to complete a review, does not indicate that safety is compromised or a home should be closed or residents moved. Staff would continue to visit as well as family and other professionals.*

---

## 2.12 Personal Care Homes

---

### ***Confirmation of Insurance not always documented***

*This was a problem identified in the region. It became problematic to get this renewal information every year. It was never discovered that a home did not have insurance but the annual review form lacked this as a particular check item. This has since been corrected with the introduction of the new annual review form and it is information required for verification, with the name of company and insurance coverage detailed.*

### ***Annual Reviews***

*The introduction of a regulatory framework for personal care homes in 2001 came without any additional staff in the board. The process required considerable orientation with staff and homeowners. The initial process in central required all homes previously approved to be licensed. As well, in Central there were a significant number of homes that were operating outside of an approval process as boarding homes. These homes had to be brought into the regulatory system. It is possible within the earlier years of the review time frame that the Auditor General found some homes that did not have the reviews completed on timely basis. Many homes became due for review at the same time because of the timing of the introduction of the initial process. A decision was made to stagger the reviews during follow up years to allow for an even distribution of workload. There was never any concern for the health safety or well being of any persons during this transition. There was never a time, once staff were in place that a license lapsed. Records of this board currently show no homes with reviews outstanding or licenses expired. Current processes are up to date with no outstanding issues. It is also important to note that during this time personal care homes in the region grew from 18 to 22 homes with an increased bed capacity of over 300.*

### ***Premises Standards***

*All premises standards are performed by an external department. Government Services Center performs all these inspections including Fire & Life Safety and Environmental Health. These officials are consulted at the time of the annual review and included in the review meeting where possible. Inspections are requested for each home and provided as soon as completed.*

*There is significant improvement in this area in the later part of the review period and current inspections are all up to date. Staffing in this area has been improved in Government Services Center and regional persons have specific assignments. There are, however, challenges associated with having only one person completing all the Fire and Life Safety Inspections in the province.*

---

## 2.12 Personal Care Homes

---

### ***Annual Eligibility Re-assessment not Performed***

*Each client receiving a subsidy has a quarterly adjustment of their subsidy based on verification of their income. The annual review entails a visit to the home and review of financial procedures, as well as a more detailed financial review of the client including verification of liquid assets. The review is partially completed with the income verification. These reviews are completed within a range of time that was not always within a 12 month period but because of staffing limitations were performed in a 12-18 month period. The board has recognized this as a priority and additional staff were assigned in the last 6 months and compliance is improved significantly. The ability to meet these standards is impacted significantly by the insufficient resource allocation to the boards for the personal care home program area. Geography also plays a critical factor. Some financials were deferred so that group visits should be utilized to allow for more efficient use of time for home visits to be completed.*

### ***Staffing Compliance***

*It is impossible to know if full compliance is maintained with all new staff employed by a personal care home. Board staff monitor personal care home staffing files at the time of annual reviews, during liaison meetings or during visits to the home throughout the year. The homeowner also maintains personal responsibility for compliance. In the Central region it is not a requirement for this documentation to be sent to the Central Office but, as per policy manual instructions, this is maintained by the homeowner in the home.*

*Staff numbers as well, for the most part remain the homeowners responsibility to maintain. Regardless of presentation of staff schedules at the time of an annual review and random visits and observations by staff schedules cannot be monitored daily. Other indicators are used in this region such as complaints by residents and family. Most recently, in April 2005, this region introduced a quality indicator client satisfaction questionnaire for family and residents. These persons are selected randomly and this format addresses this and other issues.*

### ***Homes not submitting monthly reports***

*This region did very well in compliance with this reporting. We have determined that once homes are very clear on what is required and forms are explained fully compliance is very good. In order for this particular method to be most successful phone reminders are also put in place. Clerical staff completes this task on a regular basis.*

---

## 2.12 Personal Care Homes

---

### ***Routine Monitoring Not well Documented***

*Staff in the central region are required to submit a personal care home monthly monitoring report that is maintained in central office. This form documents level of care, name of resident, a brief note on change in status since last report if any, as well as a note as to status of foot care approval if required. It summarizes each level of care in the home and states the total number of visits that the nurse has to the home that month. Monthly reports for all homes were not consistently filed. Efforts have been put in place for higher compliance with this by introducing phone reminders as above. A form not submitted is not an indication of a visit not completed. The nurse and social worker and dietitian will document visits to the home within the personal care home file maintained in the district or in CRMS where available. During the earlier years of the review process there were limited offices with access to the CRMS client data base. The reviewers from the Auditor General's office did not review the district files where additional documentation would have been maintained.*

*Improvements in this area are on going and compliance has improved significantly.*

*Zero visits documented in the files audited was not an indication that no visits were completed as documentation was made in other official records.*

### ***Residents Subsidy overpayments not recovered***

*In the Central region, increases in OAS/ CPP are recovered the month following receipt of the increase, which for the most part is received on the 26<sup>th</sup> or 27<sup>th</sup> of the month. It is deducted for the following full month. It has not been the practice to take from the resident for the month it was not received although rightfully it is effective. This can potentially occur once per quarter but some quarters there are no increases in this cost of living index. In some instances in past years increases in board and lodging rates have been simultaneous with these increases and have reduced the claw back formula. This overpayment is very minimal. The current personal care home payment data base is limited in its functionality. Upgrade to the process was deferred to other projects and the development of the provincial pay system was expected to have been implemented at this time which would have addressed this issue. Regional solutions to the limitations of the data base are being investigated.*



---

## 2.12 Personal Care Homes

---

### ***General Process Improvements on going in the Central Region:***

- *A temporary Full time personal care home coordinator has been in place for the past two years, as well as the Director. This has led to continued improvements to this monitoring system.*
- *Annual personal care home operators and staff attend in-service activities. These deal with a wide range of ongoing monitoring and quality improvement activities. This included the introduction of a new annual review/audit form, and education on medication management, infection control, safe food handling, documentation and other standard issues.*
- *Closer liaison with Government Services Center has seen improvement and efficiencies in fire and life safety reports as well as others. These are now completed by one provincial person trained in these tasks and specific regional persons.*
- *The provincial client pay system has been re-introduced that will lead to consistent financial policies and automatic income adjustments for OAS rate increases.*
- *The CRMS client data base is receiving significant upgrade in the management and report possibilities. The CRMS will be the only data base for recording and reporting for all client activity including the personal care home monitoring.*
- *The new Regional Integrated Health Authority has initiated a review of long term care in the region including personal care homes to identify resources, gaps, and opportunities for improvement.*

---

## 2.12 Personal Care Homes

---