

CONSULTATION ON

DISABILITY SUPPORT SERVICES

(Intellectual and Physical Residential support services, Day services) (DSS)

NELSON MARLBOROUGH DHB

NELSON AND MARLBOROUGH

WINTER 2011



FEEDBACK

We are keen to hear your views on the options presented.

Please return the Feedback Form enclosed by 5pm, Friday 23 September, 2011.

Download the form from: www.nmdhb.govt.nz or contact heather.janssen@nmdhb.govt.nz or phone 03 546 1233

Once feedback is received it will be collated and the proposals reviewed and adjusted if appropriate.

A report on the feedback will be circulated with recommendations. A final implementation plan will be developed for the Disability Support Service.

To Clients, Family, Friends and Staff of Disability Support Services (DSS)

I am writing this letter to inform you of a consultation process NMDHB is entering into on proposals put forward by the recently completed Rutherford Initiative review of Disability Support Services (DSS). I have reviewed the document and, with the support of the Board, have decided to proceed with consultation on the proposals prior to final decisions being made.

Since 2005 the future of DSS, as part of NMDHB, has been under discussion. Prior to the Rutherford Initiative review two other reviews were completed, both were inconclusive on the future of DSS.

The Rutherford Initiative review has recommended a number of initiatives in the areas of future Governance/ownership of the service, financial sustainability and service provision.

Subject to DSS becoming financially viable, the reviewers have recommended the separation of DSS from NMDHB. Although this recommendation is a challenging one, the review team concluded there are more advantages for the service and its clients than disadvantages if the service became independent of the DHB.

This document summarises the key issues/recommendations for you, however if you would like to discuss the details of the background information, please contact Heather Janssen on (03) 546 1233, for a time to be arranged.

John Peters
Chief Executive
Nelson Marlborough District Health Board



Nelson Marlborough
District Health Board

Purpose of this Consultation

The purpose of this consultation is to seek wider input from key people (clients, family, friends and staff) to three aspects of the services future direction.

Recommendations from the Rutherford Initiative review were made in the following areas of DSS:

- Ownership Structure;
- Financial sustainability; and
- Service delivery.

The NMDHB DSS service provides three types of services for people with disabilities in Nelson, and are in the process of developing residential support services for people who have physical disabilities in Marlborough:

- Community Residential Support Services for intellectually disabled;
- Day services for intellectually disabled; and
- Community Residential Support Services for physically disabled.

Current Services

NMDHB is principally funded by the Ministry of Health (MOH) under a Disability Support Service contract to provide these services. DSS provide the following:

- Residential support services are provided to:
 - o 205 people with intellectual disabilities; and
 - o 12 people with physical disabilities;
- Day services are provided to:
 - o 116 people funded by MOH including clients from other service providers in Nelson.

This document sets out the background to the proposed changes and the initiatives recommended following an examination of the service as part of the Rutherford Initiative put in place by NMDHB in 2009.

Background History

Over the last 50 years there has been a marked change to the care of the intellectually and physically disabled with the movement away from institutions to community housing.

The first community based service in Nelson was established over 25 years ago for 100 people from Ngawhatu and Braemar who moved to community homes in Nelson. This was followed by the de-institutionalisation of Ngawhatu in 1999 and Braemar in 2004.

In the last 25 years the number of new people requiring entry to the service has dropped as people with an intellectual disability have been supported at home by their family. As people move from childhood to adulthood and want to live independently from their families, or as their carers age and are no longer able to support them, there is a growing need for residential or supported living.

Background History (continued)

One of the growing demands for more specialist services has been for people with autism/aspergers. This group makes up 17% of the new entrants to the service in the past five years. The Autism Association has research showing a projected 50% increase in population over a five year period. Currently there is no clear pathway, both in NMDHB and within the MOH nationally, for people with autism/aspergers who are not intellectually disabled, and there are no specialist autism/aspergers housing providers for these people. However, NMDHB has employed a co-ordinator for autism/aspergers to improve this situation.

The other large group of entrants into the service has been people with dual diagnosis mild intellectual disability/mental health conditions who require residential support services. Although there are contracted Mental Health service community residential providers support services, there are some service users who are best suited to an intellectual disability provider.

Overall the three years 2006/2007 to 2008/2009 discharges were greater than admissions to the service. However this trend reversed in 2009/2010 as shown below.

IDSS Community Residential Support	2006/7 Actual	2007/8 Actual	2008/9 Actual	2009/10 Actual	YTD Dec-10 Actual	2011/12 Budget
Opening Number of Service Users	212	210	205	203	204	210
Admissions	7	7	4	8	10	-
Discharges	(9)	(12)	(6)	(7)	(4)	(3)
Closing Number of Service Users	210	205	203	204	210	207
Net Movement in Service Users	(2)	(5)	(2)	1	6	(3)

* YTD December 2010 closing balance excludes the two HBSS service users and one respite service user. Including these service users would bring the total number to 213 as per the total service users shown in the tables above.

DSS have a long history of providing day services and as part of the closure of Braemar successfully tendered to the MOH to continue to provide these services in the Nelson community. Each person has an individual day programme schedule plan which is reviewed annually and integrates with the users Residential Service Provider Individual Plan.

DSS has provided community based residential services for people with a physical disability as a result of acquired or traumatic brain injury since 1988. At this time people who had had strokes or car accidents were remaining on the Nelson and Wairau hospital wards for long periods of time as there was no where else that could care for them. Initially established under a MOH contract in 2005 NMDHB entered into an agreement with ACC for additional beds.

Debate has occurred over a number of years as to whether NMDHB should continue to provide residential and day services for people with an intellectual or physical disability. In most areas these services are provided by non-government organisations that were established post de-institutionalisation.

The Board agreed in August 2005 that:

- Providing advice on services and funding of disability services to the population of Nelson Marlborough is part of NMDHB's core business via the Disability Support and Advisory Committee; and
- The provision of residential and day services is not a core business of NMDHB and that consideration needed to be given to future options for the service.

In July 2007 the Board agreed that the status quo should prevail while the Board, through its Advisory Committees and management, established a long term strategic view on future direction. The Rutherford Initiative review has met that requirement and the Board has agreed to consult with key people on the recommendations prior to deciding the future direction of the service.

Ownership Structure Initiatives

The recommendations are that two options be considered under ownership structure initiatives. They also suggest that this be overseen by a steering group, the options are:

- 1. That a Community Based Trust be formed; or**
- 2. That another organisation(s) takes responsibility for the service.**

Advantages of being governed by a Trust or provider that specialises in DSS:

- Can respond a lot quicker to service development opportunities;
- Focus on disability service is the priority rather than a wider focus of health and disability;
- Same funding however overheads may be less; and
- Staff would be employed in similar if not the same contracts.

There are many examples of DSS being governed by Trusts throughout NZ, with many of these being formed at the time of transition from institutions to community care.

This issue has been debated, reviewed and re-reviewed over a long period of time. We acknowledge that clients, significant others and staff need, and want to know what the long term decision is going to be.

The five options originally canvassed in the 2006 Consultation Paper for DSS becoming an independent service provider were reconsidered:

- Status quo;
- Community Based Trust;
- Joint venture with another provider;
- Separate company wholly owned by NMDHB; and
- Another organisation(s) takes responsibility for the service.

The preferred recommendations in 2011 are to explore the options of either a Community Based Trust or another organisation taking responsibility for the service and thereby the DHB exiting the provision of these services. It was concluded by the Rutherford Initiative team that there are more advantages for the service if it is separated from NMDHB.

- **Community Based Trust** – This option has been proven to work for a number of other Disability Providers. It would enable the service to undertake fund raising activities and apply for charitable grants to supplement or provide additional services to service users. It will require someone to take the lead in establishing a Community Based Trust and willingness on behalf of others to be a Trustee on the Board. Feedback received indicates that there would be people willing to be involved in the establishment and ongoing governance of a Community Based Trust. To be successful it will be essential that the Trust Board has a balanced mix of people with disability operational experience, clinicians, and commercial/ financial and governance experience as well as family/service user representation. The Trust must be structured to ensure that NMDHB has no “control” or “perceived control” over the Trust to avoid accounting issues arising for both parties.
- **Another organisation(s) takes responsibility for the service** – Advantages will arise for the service from the access to disability-specific IT and financial systems and the sharing of overhead cost structures such as governance, finance, payroll and human resource functions. Consideration will need to be given to cultural fit and values to alleviate the concerns of staff, service users and their families that have previously been voiced regarding this option.

We need to work on both options at the same time to establish and compare the merits of each. However if it is concluded another service provider takes responsibility for the service and it is not possible to establish such a relationship then the option of a stand-alone Community Based Trust should be pursued.

Both options will require the successful resolution of funding issues with the Ministries of Health and Social Development so that before any change DSS is financially viable.

Financial Sustainability Initiatives

The process undertaken by the Rutherford Initiative Team has identified that some of the DSS clients are being disadvantaged because of timing of when clients started receiving disability support services leading to access to day services and funding issues.

The Board and Management fully agree that there is a lot of evidence to show that many attempts have been made to work with the MoH and the Ministry of Social Development (MSD) to resolve funding and day service issues. The MOH response has been that any solution has to be cost neutral. The MSD has not developed enough day service provider contracts to ensure a good range of services is available to meet the identified needs.

Unless the funding issues are resolved with the MOH then the Trust option will not be able to be implemented as it is not appropriate to develop a Trust if it is clear the disability support service is not financially viable. Whether another provider would be willing to take ownership of the service would remain to be seen.

If the funding issue is not resolved and as a consequence the two proposed options are not able to be progressed then the Board would be left with three clear options:

- 1. Complete as many cost saving strategies as possible and maintain ownership of DSS and subsidise any losses from personal health revenue; or**
- 2. Give six months notice of exit to the MOH of selected (those areas where funding is in dispute) DSS and then consider setting up a trust to govern the remaining services; or**
- 3. Give six months notice to the MOH of NMDHB's intention to exit the provision of IDSS.**

Note it is our view that the MOH would have to resolve price issues when negotiating with a new provider.

The service ended the 2010/2011 financial year with an \$833k contribution to overheads and the 2011/12 financial year budget for DSS shows a contribution of \$450k to overhead costs, Whilst an improvement on previous year budgets, this is not sufficient to meet the requirements of a financially sustainable Trust.

A mixture of increases in revenues and savings in costs would be required to improve financial sustainability. It is estimated that between \$650k and \$1.5m as contribution to overheads would be required to reach viability. Nine initiatives are proposed for DSS to help achieve this with some of them already being worked on.

- **Intellectual Disability Support Services (IDSS) residential need reassessments.** There are 51 service clients who are on level one funding and have been since they commenced utilising the service. Due to age or deterioration to their physical wellbeing these clients require more support than is currently funded. The service has not been able to get a satisfactory resolution to this issue and as a consequence NMDHB is subsidising the support provided.
- **IDSS supported independent living.** There are 13 clients receiving level one funding for supported independent living. This also needs reviewing as the funding is more than required.
- **IDSS houses requiring review.** As there are seven houses where costs are more than revenue received we propose to work with MOH to review the price paid to support client needs and the services provided in these houses.
- **IDSS managing discharges and vacancies.** A number of houses have empty beds resulting in loss of revenue and the inability to meet all of the costs of those houses. The review supports the strategy already being undertaken by DSS for rationalising houses to reduce vacant beds.

Financial Sustainability Initiatives (continued)

- **Relocation of Day Services.** Currently day services are provided from four different facilities. It is recommended the proposal to consolidate services from Muritai and Tui Houses into the Packham Street facility proceeds.
- **Physical Disability Services (PDSS) existing service opportunities.** These include managing bed vacancies and reviewing revenue mix, staff rosters (to gain a standardised model) and rental expenditure.
- **PDSS new service opportunities.** Extending residential services in both Nelson and Blenheim to meet the needs of physically disabled people under the age of 65 living in Aged Care Residential facilities. Investigate the feasibility of developing a Home Based Support Service for the physically disabled.
- **Expenditure management.** Since December 2010 the process for the payment of rental, telephone and utility bills changed. The process includes depositing a weekly amount into the house accounts for groceries and other minor household expenditure. This change has increased the recording and monitoring of client expenditure particularly to ensure that GST is correctly claimed by the service against the revenue received.
- **District-wide specialist services.** This proposes the establishment of a specialist dual diagnosis service based with Mental Health Services to provide specialist advice and nursing support.

Total savings/revenue improvements identified come to \$1.3m, the majority of which is in the initiative to reassess client needs and gain improved funding. Other initiatives are reliant on reaching an agreement on this with the MOH. Failure to achieve that aspect will mean the DSS remains financially unsustainable.

It should be remembered that the sleepover issue has not been resolved and account of the potential costs (back pay and future) must be made in any future planning.

Service Delivery Initiatives

The proposals for service delivery are based on adopting a greater “person-centred” focus. This includes developing a framework and system to enhance the service user’s life and streamline the day to day operations so that resources (staff, transport, housing etc) are maximised and waste eliminated. There have not been any quantified cost savings from these proposals, but we expect that there will be savings from greater efficiencies which will assist in underpinning and achieving the savings targets set in the financial sustainability section.

The initiatives and related proposals in this section relate to how the services are configured and developed to better meet client needs:

- Person centred focus;
- Vocational programmes and day activities;
- Transport;
- Staff rostering;
- Organisational structure; and
- Aged Care including those with dual diagnosis.

Service Delivery Initiatives (continued)

Whilst there is a desire to achieve a person centred focus there is also a recognition amongst service providers that more work needs to be done to achieve the outcome of this focus. A plan to transition to a “Person-Centred” led organisation is proposed.

- 1. Determine each service users’ current weekly needs and activities;**
- 2. Develop and align Vocational Programmes and Day Activities to meet service user need;**
- 3. Align the transport roster to meet service user need; and**
- 4. Align staffing rosters to meet service user need.**

Other service providers have invested in software to capture information to enable them to consider the activities of the service users as a whole and to link and co-ordinate transport and other activities. Investment in such a system would reduce the high level of manual input by DSS staff in collating information for over 200 service users.

Recently it was identified that the provision of Day Service activities in residential homes was possible provided that they are properly structured and provided by suitably trained Day Service staff.

The aim of such a Home Based Programme would be to provide alternative activities for those service users who would benefit from these services, e.g. age or physical disability needs. It should not result in these people no longer having an opportunity to be involved in community or other activities that take place outside of the home environment.

Therefore it is proposed that DSS introduces Home Based Day Services for those service users who would benefit from these services on an as required basis.

Some people with an intellectual disability also age earlier than others and are likely to develop other age-related conditions such as dementia earlier than other people.

The DSS service has developed a strong skill base for supporting the aged with intellectual disabilities and over recent years has also developed a skill base in caring for people with dual diagnosis.

These are both areas where the demand for service providers will increase as the population ages.

DSS needs to be able to take the opportunity to seek new business as it arises. At times being part of a DHB does limit the service being able to act proactively.

To use the vehicles more efficiently and in doing so “free-up” additional capacity for the vehicles to be used for additional activities and to better support the physical disability service it is proposed to:

- Centralise vehicle management;
- Plan transport routes for regular vocational/day time activities; and
- Plan transportation for living activities.

Recommendations to review staffing rosters have also been made to recognise the Transparent Pricing Model used by MOH to fund some disability service providers. This includes a more flexible workplace and hours of work to enable the service to better support the service user.

Conclusion

Many of the initiatives proposed could be considered as business as usual service developments that will get the focus right and improve financial sustainability. However the key Governance/Ownership proposals are dependent on NMDHB being able to resolve funding issues with the MoH. In an environment where further health reforms are possible the formation of a local trust or amalgamation with another provider will help to maintain local governance.

Your feedback on these proposals is important to us, and will be considered before final plans for the future of Disability Support Services are developed.