

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 23, 2018

Item 10, Report No. 5, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on May 23, 2018.

10 HOME DIALYSIS FINANCIAL RELIEF PLAN PROGRAM CHANGES

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated May 7, 2018:

Recommendations

That Council amend By-Law Number 076-2016 to ensure that eligible Vaughan residents undergoing home hemodialysis have access to financial relief from the City in the absence of a home hemodialysis grant program through the Ontario Renal Network or any other agency.

Item:



Finance, Administration and Audit Committee Report

DATE: Monday, May 07, 2018

WARD(S): ALL

TITLE: Home Dialysis Financial Relief Plan Program Changes

FROM:

Laura Mirabella, Chief Financial Officer and City Treasurer

ACTION: DECISION

Purpose

The City of Vaughan is committed to providing support to Hemodialysis Patients in the community through the City's relief program. In 2017 the Province of Ontario introduced the Home Hemodialysis Utility Grant (HHUG) program. The intent and structure of the provincial grant is similar to the City of Vaughan's Home Dialysis Financial Relief Plan (HDFRP). The relief program should be fair but not permit over-compensation if another relief program exists.

Recommendations

That Council amend By-Law Number 076-2016 to ensure that eligible Vaughan residents undergoing home hemodialysis have access to financial relief from the City in the absence of a home hemodialysis grant program through the Ontario Renal Network or any other agency.

Report Highlights

- Ontario Renal Network (ORN), part of Cancer Care Ontario, created a utility grant program after the introduction of Vaughan's relief program to help offset water costs related to home hemodialysis
- Staff worked with the ORN to analyze and compare ORN's grant program with the City's program
- ORN's program provides more financial relief than the City's program

Background

The City of Vaughan introduced the Home Dialysis Financial Relief Plan (By-Law number 076-2016) in May 2016. Vaughan's plan provides relief for water related costs associated with home dialysis.

Vaughan staff issued payments in May 2017 to seven patients who qualified for the program for fiscal year 2016. Nine patients have submitted applications to relief payments for fiscal year 2017. Payments have been made to the nine residents covering the period from January 1, 2017 to March 31, 2017.

The Ontario Renal Network (ORN) introduced a utility grant program starting April 1, 2017 and communicated the details of the program to City staff in January 2018. The ORN is an arm of Cancer Care Ontario which is funded by the provincial government. ORN's grant provides relief for water and electricity related costs associated with home dialysis.

Previous Reports/Authority

<https://vol.vgn.cty/departments/OCC/Council%20Secretariat/ByLaw%20Library/2016/076-2016.pdf#search=By%2DLaw%20Number%20076%2D2016>

https://vol.vgn.cty/sites/Agenda/_layouts/15/WopiFrame.aspx?sourcedoc=/sites/Agenda/FS/Home%20Dialysis%20Relief%20Plan/Home%20Dialysis%20FAA%20Item%20May%2030%202016%20Final.docx.doc&action=default&DefaultItemOpen=1

https://vol.vgn.cty/departments/OCC/Council%20Secretariat/Extracts%20Library/2016/Finance/07Finance0530_16ex_full.pdf#search=Extract%20Home%20Dialysis

<http://www.renalnetwork.on.ca/common/pages/UserFile.aspx?fileId=385143>

Analysis and Options

The ORN's and the City's home dialysis water cost relief programs are designed to reduce costs incurred by hemodialysis patients when undergoing dialysis treatments in their home. In designing the Vaughan home dialysis relief program, staff reached out to the Ontario Renal Network for information and guidance and to learn more about home hemodialysis. Based on that research and recommendations, Vaughan Council approved a relief program in 2016. During the policy development stage, staff told analysts at the ORN that although the City's program will help lessen the burden on Vaughan hemodialysis patients, the broader Vaughan community should not be expected to offset healthcare costs through the municipal water program. Rather, the Province of Ontario should reimburse for those costs directly related to home hemodialysis.

In January 2018, a policy analyst from the ORN contacted the City and provided information about a new utility grant program, managed and coordinated by the ORN and funded through the Provincial healthcare budget.

The ORN committed to work with the City and review optimal reimbursement amounts for each Vaughan home hemodialysis patient, considering mechanisms and structures of both home dialysis rebate programs. Further, staff have been in contact with other municipalities, including the City of Ottawa and the Town of Georgina, who have rebate programs to confer about the future of their programs in light of the ORN's recent announcement. At the time of writing, Ottawa has not decided on the future of their program whereas Georgina plans to maintain their program.

Table 1 provides a summary, comparing the City's grant payments to the ORN's grant payments for eligible patients. Eight of the nine patients who applied for the 2017 refund would be further ahead under ORN's grant program, while one patient's refund would be slightly reduced. The difference is primarily due to the tiered structure that the City developed versus that of the ORN.

Table 1 – Comparison of Grants

Applicant	ORN Calculated Annual Water Consumption (m3)	Water Rate (\$/m3)	Annual Vaughan Grant	Annual ORN Grant	Difference
1	106.1	\$3.79	\$467.00	\$402.00	(\$65.00)
2	132.6	\$3.79	\$467.00	\$503.00	\$36.00
3	140.4	\$3.79	\$467.00	\$532.00	\$65.00
4	153.4	\$3.79	\$467.00	\$593.00	\$126.00
5	159.1	\$3.79	\$467.00	\$603.00	\$136.00
6	169.0	\$3.79	\$467.00	\$640.00	\$173.00
7	187.2	\$3.79	\$467.00	\$709.00	\$242.00
8	187.7	\$3.79	\$467.00	\$711.00	\$244.00
9	187.7	\$3.79	\$569.00*	\$711.00	\$142.00

Note: * the City of Vaughan's calculation for this patient's consumption is different than the calculation done by the ORN. Vaughan's calculation places the patient in a higher rebate bracket.

The City of Vaughan was one of only a handful of municipalities in Ontario to recognize and establish a program to help offset the costs of water for home hemodialysis. Since the program's inception, the Ministry of Health, through the Ontario Renal Network, has created a Province-wide program. The ORN has more and better data about the hemodialysis patients and their treatment modality and, as such, is in a better position to tailor their grant program to specific patient needs.

Financial Impact

The City of Vaughan's HDFRP rebate is a small program geared to a very limited group of Vaughan residents. For the fiscal year 2016, Vaughan provided \$3,420.00 to seven

people. Nine patients have qualified for payments for fiscal year 2017, with payments to be approximately \$4,305.00. Pro-rated payments, in the amount of \$1,076.25, have been made to the nine residents covering the period from January 1, 2017 to March 31, 2017.

Should Council approve the recommendation in this report, no further payments will be made as patients have already been registered with ORN's grant program. This will ensure that patients receive a full rebate for 2017, 25% from the City and 75% coming from the ORN, with neither a gap nor overpayment made to patients.

Broader Regional Impacts/Considerations

None

Conclusion

Staff worked with policy analysts from the ORN to learn more about their grant program and analyze rebate funding mechanisms to ensure home hemodialysis patients are optimally supported but not over-compensated for water related costs. Analysis conducted by the ORN suggests that all but one patient will be better off under the ORN grant versus the City grant. ORN provided assurance that funding for the ORN's Home Hemodialysis Utility Grant is ongoing and secure. The City's Home Dialysis Financial Relief Plan can be phased out with little impact on those residents undergoing home hemodialysis.

For more information, please contact: Dean Ferraro, Director of Financial Services/Deputy City Treasurer, extension 8272

Attachments

None

Prepared by

Sean Skinkle, Finance Manager Water/Wastewater/Stormwater, extension 8486

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