

Home Care Competitive Bidding in Crisis

Compulsory competitive bidding for home care services was introduced by the Harris Conservative government in the mid-1990s. Unlike public hospitals, which directly provide health care services, Community Care Access Centres (CCACs) are **required to contract out home care services** through a competitive bidding system. This was part of a drive by transnational corporations to skim profits from public health care dollars, a drive that has now moved into other health care sectors.

The results have been extremely negative.

- **Insecure employment and bad working conditions.** A Ministry of Health and Long-Term Care study found that average wages for Personal Support Workers (PSWs)—a major home care occupation—were approximately \$12 an hour. That's about **\$6 an hour less** than what they would earn in a hospital or long-term care facility.
- **Casual work runs rampant in the industry.** It's so bad that the government wanted to require that at least 10% of the services be provided by employees working an average of at least 30 hours per week by 2011. But even this goal is very unattractive. Worse, the government sees home care as the future of health care!

The message to home care workers is clear: get out of home care.

The consequences for home care patients are just as bad.

- For patients and their families, competitive bidding has meant **a lack of continuity of care**. Given the poor work conditions, staff turnover is very high. A Ministry of Health and Long-Term Care study found that **57%** of the home care workers surveyed changed jobs in 12 months. As well, home care providers regularly lose contract bids, and workers, who have no successor rights, are laid off. No industry, let alone a vital industry like health care, can sustain this sort of turnover and provide excellent service.
- **Private, for-profit corporations** have displaced many not-for-profit home care providers like the Victorian Order of Nurses (VON).
- **Providers have become secretive**, forced to hide their best ideas from their 'competitors' for fear of losing the next contract to them. Instead of an integrated health care system (which the government claims it wants) this model has led to **fragmentation**.
- Despite lousy working conditions, **the price to the province for home care services actually went up** after competitive bidding was introduced. And price increases meant a sharp reduction in services.

The problems with competitive bidding became so severe that **the government was forced to suspend the bidding process at the end of 2004.**

Incredibly, **the Liberal government brought it back in late 2007**, with only minor changes.

But this proved to be a disaster too. Right after the competitive bidding system was re-started, public outrage exploded over the loss of care by not-for-profit providers in Hamilton.

The Liberal government was **forced to suspend** the competitive bidding process across the province **again—but only temporarily.**

The Liberals say they will consider their next steps until the end of March.

We cannot let the competitive bidding disaster continue.

Corporations want to bring competitive bidding into other health care sectors using LHINs and CCACs so that they can skim profits from public health care dollars.

Stopping it here will stop the spread into other health care sectors and social services.

It's time for the government to reflect, rethink and, above all, retool home care.

We cannot simply fine-tune the competitive bidding system one more time by adding this or that minor reform. Instead, we have to build a public, not for profit system.

We have an opportunity to build a public, not-for-profit home care system and to set back the for-profit corporations that threaten to privatize hospital and other health care services.

Other provinces have much better public, not-for-profit home care systems. We need a considered review to develop the best home care system, **one that goes beyond the previous Liberal government's attempt to fine-tune competitive bidding** and builds a public, not-for-profit home care system. The government needs to hear from workers, patients, not-for-profit providers, and family members.

As a first step, the government must launch cross-province public hearings.