



Alberta Council of Disability Services
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December 21, 2009

Honourable Ed Stelmach
Premier of Alberta
Office of the Premier
Room 307, Legislature Building
10800 - 97 Avenue
Edmonton, Alberta T5K 2B6

Dear Premier Stelmach:

Re: PDD 2009-10 Third Quarter Budget Announcements

Subject: Proposal for a Joint Solution

A collaborative partnership is essential to enable improved outcomes and sustainable solutions for individuals and families that we are contracted to support on the Ministry's behalf. We support a partnership that honours mutual unique strengths and contributions while respecting each other's autonomy. We support a business relationship that also has inherent rights, responsibilities and commitments. We have a common vision and goals to ensure that individuals supported through the Persons with Developmental Disabilities (PDD) Program are able to live with dignity and safety in their communities.

Principles of a Partnership

- **Accountability** – Recognizing that while the Ministry Seniors and Community Support, PDD Division and the Community Disability Service Providers each have separate accountabilities, collectively, they are accountable for maintaining the trust and confidence of individuals with developmental disabilities, guardians, families and all Albertans by ensuring transparency, high standards of conduct, and sound management in their work together, and by monitoring and reporting the results of this work.
- **Independence** – Respect the autonomy of the Ministry and Service Providers, recognizing that each has unique strengths, expertise and separate accountabilities. This is not an employee–employer relationship. Our mutual independence supports and promotes many different solutions and policy actions.
- **Interdependence** – The actions by either the Ministry or Service Provider directly or indirectly affect the other; a collaborative relationship is important with us and with individuals, families and community. Co-ordination and collaboration

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are required with all Government of Alberta Ministries that impact individuals and their families.

- **Dialogue** – We believe that the sharing of ideas, perspectives, expertise and experiences contributes to better understanding, improved identification of priorities and sound public policy. Communication, cooperation, transparency, respect and collaboration are essential to addressing areas of mutual concern and to achieve our common vision.

A Collaborative Partner

Government is facing difficult choices now – how those choices are implemented in the community, both in the short- and long-term is critical for the health of communities and vulnerable Albertans. Community Disability Service Providers are part of a valuable and essential Non-profit/Voluntary Sector in Alberta and have a long history of partnership with the Government of Alberta delivering PDD mandated services.

- We have made long-term commitments in our communities to support individuals with developmental disabilities and have delivered services to them for over 50 years.
- Many of our Service Providers were founded by families who wanted to ensure that supports were in place to meet long-term needs, many are faith based organizations committed to supporting this common mission.
- Our volunteer boards are connected and committed to their communities. A collaborative framework provides the opportunity for government to participate and invest in a long-term inclusive engagement with the sector on funding discussions. The far-reaching implications of the current fiscal challenge make it imperative that we work together to minimize the impact and ensure sustainable services to vulnerable Albertans.

Principals Guiding Funding:

1. To ensure sustainability and effective services support for strong and resilient communities, allocation of funding should be transparent, evidence-based, and reflect local stakeholder expertise and community knowledge and context.
2. Community programs are most effectively delivered through sustained, predictable and coordinated funding. Contractual funding arrangements should reflect and support the long-term service we provide to individuals with permanent and often complex needs. We have a record of service to this government and measured standards of service and accountability. We require the flexibility to respond and be innovative. We require predictability of funding and honouring of funding commitments to plan effectively and efficiently.
3. Government should make a priority of open communication and meaningful consultation with individuals, guardians and families. Research, impact analysis

and coordinated planning with these resources and the broader community are particularly significant when changes to policies, programs or services are being considered.

4. Outcomes for people and communities can be improved through better alignment of planning, program design and service delivery within and across both government and the Community Disability Services sector.

2009-10 Third Quarter Contract Budget Adjustments

Recent third quarter budget announcements by Regional PDD Community Boards of projected Regional Board deficits and Ministry budget reduction targets have placed Service Providers and family managed contracts in an untenable position.

- Northeast Regional PDD Board announced on October 23, 2009 retroactive funding reductions of 4.34% of total Service Provider and family managed contract budgets.
- Calgary Regional PDD Board provided formal confirmation of in-year contracted and retroactive funding reductions of approximately 2.1 % of annual agency contract budgets to address their Regional Board deficit and the provincial deficit. The notice was issued on December 9 and December 11, 2009 with expectation that agency plans for reductions be submitted by December 18, 2009.
- Edmonton Regional PDD Board confirmed retroactive budget adjustments of approximately 2.3% on December 16, 2009. Agencies have been asked to submit plans and revised change forms on or before December 31, 2009.

Key Messages

- The impact of these reductions over the remaining few months of the contract term will have a significant impact on direct services to clients and the ability of agencies to operate under the new contracting model which pays for services after they have already been provided.
- Inadequate notice and time has been given to allow agencies to properly inform their Boards, give required notice to staff, and support families, guardians and clients to develop coordinated plans to ensure the safety and well-being of the individuals. This is not sound business practice, it is not good fiscal management, and does not live up to the principles, rights and obligations of a contractual business arrangement that should be expected from government.
- The Ministry (PDD) has ongoing responsibility to ensure and oversee the provision of statutory programs, resources and services to adults with developmental disabilities; and has the mandate to provide services to individuals through determination of eligibility and approval of units of service

that they will provide and fund. The Service Provider contracts with the Ministry to deliver these services on behalf of the Government. Communication and direction about changes and or reductions in services should most appropriately be directly between government and the client.

- Individuals receiving or applying for services have the right to be consulted prior to any significant decisions affecting them; and are to be informed of decisions made by the Community Board that affect them and of their right to independently appeal such decisions. The individual may then access their right to appeal decisions of PDD Program Community Boards that impact them. Program supports, or applying to receive supports, can be appealed to the Minister through the PDD Appeal Panel. Decisions of a PDD Program Community Board to enter into, amend or terminate a contract with a Service Provider on the other hand cannot be appealed.
- The ACDS Board appreciates the difficulties that Regional PDD Community Boards face with unanticipated cost pressures and the complex and changing needs inherent in delivering mandated human services. Our members also face these same pressures, adjust accordingly within our yearly budget and contract, and are held accountable for a balanced budget. We also appreciate the challenges of the uncertain economic climate. Many agencies already reduced their budgets by up to 5% at the beginning of the contract year in response to Ministry anticipated budget pressures, and staff received only one half of the committed wage increase as a one-time bonus. As we have done each year, for many years, we have already demonstrated our willingness to collaborate and work toward a solution.
- The ACDS Board understands that under the current contract with Service Providers, any amendments or changes must be mutually agreed upon by both parties and further that Service Providers should consider carefully and ensure that they take the time and steps necessary to be fully informed before agreeing to voluntarily amend the contract by agreeing to reduce services or units of service. We understand and have been advised, that even a request to voluntarily agree to an in-year adjustment may be considered an Anticipatory Breach of the contract. We would expect PDD to honour the current contracts over the next quarter.
- The Ministry commitment to allocate \$24 million in the 2009-2010 budget to address recruitment and retention of a skilled workforce is still outstanding. The delivery of quality services to individuals with often complex needs is dependent upon sustaining a qualified workforce. While government programs and staff received wage and benefit increases, and contracted programs and staff funded by other Ministries received their 5% wage increase on April 1, 2009, PDD funded contracts received only a partial allocation of \$14 million this fall to be distributed as a one-time bonus. Some Service Providers have not had the April 1, 2009 minimum wage increase addressed in their funding.

- Service Providers value our relationship with this Ministry. A strong collaborative relationship must be based on honouring commitments, integrity and mutual respect grounded in the fundamental principles and values that place the well-being of the individuals we support first.

Recommendation for a Joint Solution

- That the Premier and Minister intervene and rescind the PDD Community Board requests for in-year budget adjustments and ensure that formal correspondence is issued clearly communicating to Service Providers and family managed contractors, that PDD fully intends to honour their contracts and that this is a voluntary request for budget reductions.
- That full contractual payment to Service Providers will continue and there will be no repercussions if Service Providers and family managed contractors do not voluntarily agree, or did not meet the deadline for submission of action plans and change forms for reductions in services.
- That Service Providers and family managed support contractors who have already submitted action plans or implemented changes be offered the opportunity to review and reconsider given this new and clear communication from the Ministry.
- That the Premier support the Minister to implement a full external program review and audit of the PDD Division Programs and Services. Stakeholders and families would be willing to participate in the development of the terms of reference and support this review.
- That PDD Community Boards be requested to communicate their intent to fully honour their contracts with families and Service Providers
- That PDD Community Boards be required to communicate directly to individuals and their guardians and families, any decisions that may impact services to ensure that they retain their right to appeal, and further that the timeline for filing the notice of appeal starts on the date of this communication from the PDD Boards.

Respectfully submitted,



Bob Greig
President
ACDS BOARD

cc. Honourable Mary Anne Jablonski