



Report to: General Committee

Date Report Authored: May 9, 2013

SUBJECT: Review of Financial Assistance Options for Home Dialysis Patients in Markham

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RECOMMENDATION:

- 1) THAT the report entitled, "Review of Financial Assistance Options for Home Dialysis Patients in Markham" dated May 9, 2013 be received;
- 2) THAT a copy of this report be sent to the Ontario Minister of Health and Long Term Care;
- 3) THAT Council, on behalf of the affected patients in Markham and York Region, request the Ministry to take into consideration in their development of their health service programs, the impacts of transferred utility costs on the patients; and,
- 4) THAT staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose is to provide a staff report on the potential for financial relief to be provided to Markham residents for the increase in municipal water and other utility costs arising from home dialysis treatment.

BACKGROUND:

The matter was brought up as a New Business item at the January 21, 2013 General Committee meeting. It was mentioned at the meeting that at least one Council member has brought the issue to the attention of York Region staff. General Committee requested a report from Markham staff.

Provincial Actions to Improve Delivery of Medical Services in the Province

In 2006, the Ontario government created 14 Local Health Integration Networks (LHINs) which are not-for-profit corporations, which work with local health providers and community members, to determine the health service priorities for their 'region' (note that the 14 LHIN 'regions' do not follow the jurisdictional boundaries of the municipal regions). The Central LHIN encompasses all of York Region as well as parts of Toronto and Simcoe County.

LHINs, province-wide, oversee approximately \$20.3 billion (2006 figures) health care dollars and, although they don't provide services, their mandate is to plan, integrate and fund health care services within their regions.

In 2009, the Ontario Ministry of Health and Long Term Care, in association with Cancer Care Ontario and with support the chronic kidney disease community and the Kidney Foundation of Canada, established the Ontario Renal Network (ORN). This organization provides overall leadership and strategic direction to effectively organize and manage the delivery of renal services in Ontario in a consistent and coordinated manner. In 2010, regional renal programs were established in all 14 LHINs. The goals of the ORN are to:

- a. Prevent or delay the need for dialysis
- b. Broaden appropriate chronic kidney disease patient care option, and
- c. Improve the quality of all stages of chronic kidney disease care

Types of Dialysis Treatments

According to the ORN, *“Dialysis is a treatment to remove toxins from the blood when the kidneys have failed because of damage.”* There are two main types of dialysis treatment:

1. Hemodialysis (HD) - A patient's blood is filtered through a machine to remove waste and toxins, and the cleaned blood is returned into the patient's bloodstream. The blood flows through a flexible tube (catheter) inserted in a major vein, usually in the patient's arm.
2. Peritoneal Dialysis (PD) - Fluid flows into the peritoneal cavity, is left there for a while to absorb toxins, and is then drained out through the tube and discarded. PD is always performed at home.

Dialysis treatment may be delivered in a hospital facility, a community facility, or at home. HD treatment involves using water to flush the kidney and can use up to 1,875 L of water per user per use (about 4 hours). A patient repeats this process 3 to 7 times per week as determined by the physician. The dialysis machine uses water and produces wastewater in the process. PD treatments are done more frequently than HD but use much less water.

Rationale for Dialysis Treatment in Home Setting

As part of the mandate of the ORN and the LHIC is to *“provide the right care at the right time for the right price”*, home dialysis is looked at as both a quality of life and cost effective alternative to hospital or other medical facility treatments. Other cited benefits include longer survival, less hospitalization, more likely to have full-time employment, improved nutrition, better blood pressure control, hemodynamic stability and fewer cardiovascular complications. It also results in lower healthcare system costs such as fewer facilities needed, associated staffing costs, and all other direct and indirect expenses.

There are costs and expenses in moving treatment from a facility to a home - the initial capital costs, including equipment, set-up and training costs to teach patients how to use the equipment and ongoing costs of supplies are covered by the plan. The indirect costs

of the treatments such as electrical and water and wastewater charges are then paid by each patient.

It should be noted that not every patient qualifies for treatment at home. According to ORN's web-site approximately 10,000 people in Ontario are receiving dialysis. Of these, 77% go to centres and 23% dialyze at home. Of the 23% who dialyze at home, 18% undergo peritoneal dialysis (PD) and 5% hemodialysis (HD).

ORN further states that by 2015, 40% of all new chronic kidney disease patients will be on independent (i.e. home) dialysis within 6 months of their diagnosis.

Dialysis Cases in Markham

City of Markham is part of the Central LHIN set up by the Province. The Central LHIN covers a population of close to 1.8 million people in 2011, which is estimated to grow to 1.9 million by 2015.

Individuals at risk of chronic kidney disease include:

- People with diabetes mellitus
- People with family history of chronic kidney disease
- People older than 60 years
- People of certain racial or ethnic status
- Members of certain ethnic groups are also at high risk because of the greater incidence of diabetes. These include people of First Nations, Inuit and Métis, Asian, South Asian, Pacific Islander, African/Afro-Caribbean and Hispanic origin
- Hypertension is a risk factor for progression of existing chronic kidney disease

Data available in the 2010/11 period for the whole of the Central LHIN identified 209 newly diagnosed patients and 15.7% were receiving treatment at home. In the same period there were a total of 890 dialysis cases. The number of cases in the Central LHIN accounts for approximately 9% of all cases in Ontario in that period.

Central LHIN reported 14 dialysis patients in Markham receiving treatment at home in March 2013.

DISCUSSION:

Responses to Home Dialysis Financial Relief Requests in Ontario

Markham is not the first municipality to report on the indirect cost impact of home dialysis on their residents. Staff research indicated four jurisdictions have dealt with the issue, namely:

- City of Ottawa – A single-tiered municipality that established the Home Dialysis Grant/Water Consumption Relief program, with the involvement of its Chief Medical Officer of Health, in 2007. According to posted financial information, \$6,441.06 in grants was provided through this program in 2011.

- Clearview Township – A municipality near Barrie that is part of Simcoe County. In January 2013, it established the Water and Sewer Rebate for Home Dialysis Policy that provides a 90% rebate for water and sewer user fees. The homeowner covers the 10%.
- Durham Region – An upper-tier municipality that decided in 2010 not to provide a rebate. A number of reasons were cited including tax credits available from the Canada Revenue Agency for those who qualify, precedent-setting for other types of request for relief, and the belief that the costs should be covered by the hospital system.
- York Region – An upper-tier municipality that when approached indicated it has no recommendation on the matter of providing a subsidy to home dialysis patients in York Region and referred all requests and inquiries for water billing relief to the lower-tier municipalities. The reason cited is that it is not responsible for the customer billing function relating to water and wastewater. It indicated those individuals on an approved low-income program may qualify for relief from York Region Social Services and in the case of the Town of Newmarket, there is a Water and Wastewater Rate Rebate program provided to approved low-income households.

Durham Region determined in 2010 that the electricity and water costs incurred by a patient qualify for inclusion in the calculation of Federal and Ontario non-refundable tax credits as defined by the Canada Revenue Agency, subject to meeting the minimum medical expenses thresholds. Organizations, such as The Kidney Foundation, have identified a number of tax tips for kidney patients.

Policy Approach

It is clear that the changes that the Province is making to Health Care reform are directed at improving the quality of life for patients now and into the future. Some of these changes make the service delivery more convenient for the patient (i.e., home care vs. institutional care) and adapt better to their lifestyle.

An impact of these changes has caused some costs (i.e., utility costs) to be transferred from those institutions to the patients directly. Although there are partial reliefs through taxation credits, they may not fully affect these transferred expenses.

Some patients are now seeking relief from the local water utilities municipalities and utilities directly for their increased expenses.

It should be clear that this shifting of costs is just that, there is no windfall to the municipality/utility as a result of the shift. The same amount of water or electricity is consumed regardless of where this service is provided.

At this time the number of affected residents is relatively small, however in the future this number is expected to increase and, if the province continues this philosophy into more areas of health service delivery, it could climb.

From a policy perspective the province should be considering all aspects and impacts of changing their services. It is the recommendation of staff, that a copy of this report be sent to the Ontario Minister of Health and Long Term Care with a request from Council, on behalf of the affected patients in Markham and York Region, that the Ministry take into consideration in their development of these programs the impacts of transferred costs on the patients.

FINANCIAL CONSIDERATIONS:

None

HUMAN RESOURCES CONSIDERATIONS

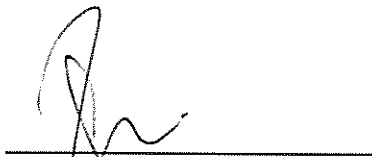
Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

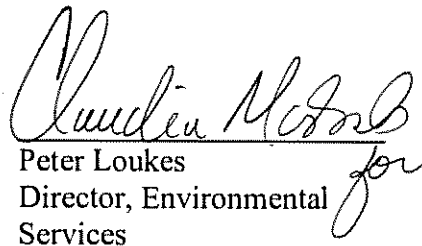
BUSINESS UNITS CONSULTED AND AFFECTED:

Finance Department

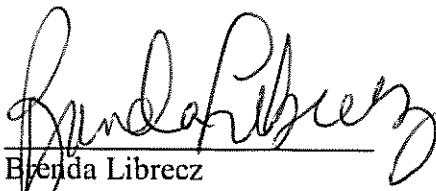
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