Ontario Works Service Delivery Model

(City Council on April 11, 12 and 13, 2000, adopted this Clause, without amendment.)

The Community Services Committee recommends the adoption of the following report (March 7, 2000) from the Commissioner of Community and Neighbourhood Services:

Purpose:

This report provides an overview of the Province's Business Transformation Project (BTP), and describes the new social assistance Service Delivery Model (SDM) which has been developed under the auspices of BTP. The report proposes a framework for proceeding with the implementation of the SDM in Toronto. Key issues related to the design and introduction of the SDM are also reviewed. Finally, the Provincial plan for implementing BTP is outlined.

Financial Implications and Impact Statement:

Plans for implementing components of the Service Delivery Model in Toronto are still in the preliminary stage, so it is premature to assess specific budget implications related to the SDM at this point. The Province will cost share, at 100 percent funding for the initial pilot phase of the key parts of the SDM. As a result, it is anticipated there will be no impacts on Toronto Social Services (TSS) year 2000 net budget related to the implementation of the SDM. Any impacts on the Division's gross budget will be reported through the budget process. In the longer term, no negative impacts are anticipated on the City's social assistance budget. The implementation of the SDM is, in fact, expected to generate efficiencies in the delivery of social assistance.

Recommendations:

It is recommended that:

(1)   City Council endorse the principles proposed in Attachment No. 1 of this report as a basis for implementing the Ontario Works Service Delivery Model (SDM) in Toronto;

(2)   City Council authorize staff to negotiate the terms for piloting the Intake Screening Unit component of the SDM in Toronto with the Province, subject to the following conditions:

(i)   that the implementation plan for the pilot adhere to the implementation criteria set out in Attachment No. 2; and

(ii)   that the implementation plan for the pilot have no impact on Toronto Social Services year 2000 net budget;

(3)   the Commissioner of Community and Neighbourhood Services report back to the Community Service Committee on implementation plans for the SDM components in

Toronto, including the Intake Screening Unit pilot, and report on any related impacts on Toronto Social Services' gross budget through the budget process; and

(4)   the appropriate City officials be authorized and directed to take the necessary action to give effect hereto.

Background:

In early 1996, the Ministry of Community and Social Services (MCSS) initiated the Business Transformation Project (BTP). BTP is a central part of the Province's overall welfare reform initiative. To date, the Province has introduced a new legislative framework for social assistance (embodied in the Ontario Works Act and the Ontario Disability Support Program Act) plus associated regulations, consolidated municipal delivery sites, and transferred sole support parent cases from the provincial delivery system to municipal Ontario Works delivery agents. From the outset of its reform efforts, the Ministry indicated that a new technological platform, supported by new business processes, would be required to both support the fundamental changes it was making at the policy level and to modernize the service delivery system across the Province.

Through BTP, the Province is committed to developing a new model for delivering social assistance under both Ontario Works (OW) and the Ontario Disability Support Program (ODSP). In 1997, MCSS entered into an agreement with Andersen Consulting for the development and implementation of a new social assistance Service Delivery Model (SDM). Section (I) of this report provides a brief overview of BTP, and describes the basic features of the SDM.

Section (II) of the report provides a municipal perspective on the SDM. Initially, a set of principles is proposed which are intended to inform the City's approach to proceeding with the implementation of the SDM. These principles will serve as a basis for assessing the SDM's impacts on the City's OW delivery system, and on City residents. Ultimately, it is against these principles that the outcomes of the new delivery model can be assessed. At the same time, delivery agents, including Toronto, have also identified a number of important considerations related to the introduction of the SDM, which are also reviewed in Section (II).

Section (III) provides an overview of the SDM implementation framework that has recently been announced by the Province. Based on the delivery system principles discussed earlier, specific implementation criteria are established for proceeding with the introduction of the components of the SDM in Toronto.

Comments/Discussion:

(I)   BTP Overview:

The Business Transformation Project represents the overall framework within which the Province, working with Andersen Consulting, is managing the development of a new social assistance delivery system. The Project comprises four distinct phases. The first phase involved developing a vision for the new delivery system, and subsequently analyzing basic business requirements. This was followed by the development of a functional design, at which time

business requirements were finalized, the component parts of the new Service Delivery Model defined, and detailed designs created. Initial testing was subsequently undertaken.

Thus, after two years' work, the Province formally launched the new Service Delivery Model (SDM) in late January 2000. This set the stage for the final phase of BTP, which involves implementing major components of the new Model.

The development of the SDM involved consultation with a range of stakeholders. Over the two-year design and development phase, municipal staff have participated in various steering and working groups. One group, comprised of senior level municipal staff from across the Province, including the City of Toronto, has provided input on an ongoing basis to the provincial BTP team.

The Service Delivery Model (SDM):

The Service Delivery Model actually constitutes a high level framework for the new social assistance delivery system. At its most basic, the Model consists of a new technology platform, and an associated range of redesigned business processes and delivery functions. Taken together, these components are intended to support the delivery of core social assistance eligibility and case management functions.

Currently, the Province, under the Ontario Works Act, mandates delivery of social assistance by municipalities. The legislation makes mandatory requirements for delivery agents related to the delivery of certain functions (such as those carried out by Eligibility Review Officers and Family Support Workers), and to adherence to OW regulations and policy. Under OWA, the Province may also prescribe the technology systems used to collect and store information, and establish performance standards.

It is within this legislative context that the SDM has been developed. From the Province's perspective, the SDM's major components, notably the new technology platform and modified intake and case management functions, form the basis for a new, integrated and streamlined delivery system that will be implemented across Ontario by municipalities.

The Province's intention, through the SDM, is to create a more efficient, cost-effective social assistance delivery system. The SDM's stated goals are to:

- improve access to information for both clients and caseworkers;
- ensure faster and more accurate eligibility calculations;
- increase program integrity; and
- provide better client service.

Underpinning the SDM is the new Province-wide technology platform and database. Based on leading edge, web-based technology, this platform replaces the five or more separate systems that municipalities now rely on. Complementing the new technology are redesigned business processes that aim to streamline key functions. These include:

-        a two step intake process, featuring an initial telephone interview to explore a client's eligibility followed by a face to face interview to verify eligibility;

-        the use of third party sources to verify information provided by clients;

-        an automated telephone system to provide clients with information and allow them to report changes in income to their caseworker; and

-        improved tools to manage ongoing client financial eligibility and to provide employment assistance supports.

The Consolidated Verification Process (CVP), a standardized process for assessing whether people are initially eligible and remain eligible for OW and ODSP, is also part of BTP. Aimed at better protecting the integrity of the social assistance program, CVP consolidates several existing verification processes. Because it does not rely on the new provincial technology, CVP has already been implemented in a number of provincial ODSP and municipal OW offices. Additional information about the implementation of CVP in Toronto will be provided in section (III).

The New Delivery System: Key Changes:

The SDM represents an integrated, but high level, design for the new social assistance delivery system.   The SDM's major components, which will undergo a pilot stage prior to implementation, will be phased in over the next two years. Full implementation is projected for early 2002. It is likely, therefore, that certain aspects of the SDM will be modified in the future. For that reason, the description of the components provided below is also at a high level.

The Province has moved forward with the SDM in order to achieve a number of outcomes:

(1)   improved client service through the telephone application process and through the use of Interactive Voice Response technology;

(2)   increased support for the delivery of employment assistance;

(3)   improved program integrity; and

(4)   reduced expenditures upon full implementation of the SDM.

The changes to the delivery system anticipated as a result of the implementation of the SDM are outlined below.

(a)   New Province-wide Computer System:

The Province-wide technology platform will contain information on all OW and ODSP clients across the Province. Client information will immediately be available to the delivery agent whenever a client moves within the Province, or reapplies for assistance. Caseworkers will also

have real-time access to active or archived case file information for participants in receipt of either OW or ODSP. Each participant will be known to the system by a unique identifier, thereby preventing the creation of duplicate records.

(b)   Two Step Intake Screening Process:

TSS has had a two-step intake process in place for some time. For example, clients can contact local offices by phone to initiate the application process, or they can apply directly at the office. The SDM builds on, and enhances, this approach.

In the future, people applying for assistance will be directed to telephone staff who will work together in an Intake Screening Unit (ISU). The initial application for assistance will largely be taken over the telephone. Eligibility information will be collected on-line through a series of standardized questions, and housed in the Province-wide central database. Staff working in the Screening Unit will also be able to:

-       use third party sources to validate client information (e.g., Revenue Canada, Ministry of Transportation); and

-       refer applicants to other relevant services in the community in response to their identified needs.

Eligible clients will be referred to the local office for an interview to confirm their eligibility. Applicants found ineligible through telephone screening will be informed verbally and in writing, and will not require an interview. Ineligible applicants will have the same right of appeal as they do now. People who cannot be screened over the telephone will continue to have their application taken at the local office.

The Province anticipates that both caseworkers and clients will benefit. Telephone screening, in conjunction with the new tools available to staff, is expected to:

-       reduce the time and effort involved in the current application process for clients and staff;

-       result in fewer ineligible clients proceeding to a face-to-face interview; and

-       enable OW caseworkers to spend more time with eligible clients focusing on their employment needs.

(c)   Interactive Voice Response (IVR):

Using Interactive Voice Response technology, social assistance clients will have access to an automated inquiry and income-reporting system through a Province-wide "1-800" telephone number. Available around the clock, the direct inquiry system will provide general, as well as case specific information. In addition, certain clients will be able to report income changes through the IVR. Overall, it is intended that clients have greater access to information they need, and that caseworkers will be able to reallocate time spent responding to basic inquiries to other client service functions.

(d)   Case Management and Payments:

A number of changes are being made to current case management practices to streamline and improve the ongoing management of client financial eligibility and the provision of employment assistance supports. These functions include the following:

-        a redesigned financial assessment review process for ongoing eligibility verification;

-        automated supports for employment assistance; and

-        sharing of information and electronic transfer of case files between offices and programs (OW and ODSP) across the Province so that participants will not have to reapply for assistance when moving within the Province.

(II)   The SDM: Municipal Perspectives:

It has been evident for some time that a new integrated technology platform is needed to deliver social assistance. Technologies currently used by TSS are a combination of outdated and inadequate legacy systems from the 1970s and earlier, and newer, interim systems, which are not adequately integrated and which have not met Toronto's needs. Ontario Works Technology (OWT) provides a recent example of a technology system successfully piloted in smaller municipalities, but subsequently recognized as inadequate for use in Toronto. TSS has had to rely on OWT for several years despite its acknowledged limitations, and has been expected to meet performance standards established by the Province in the OW program.

The need for a new integrated technology platform became even more pressing with the introduction of OW and ODSP. It is also clear that recent advances in technology, when combined with redesigned business processes, present new opportunities to transform how services are delivered. BTP set out to identify and capitalize on these opportunities.

TSS is committed to moving ahead with the SDM. The new technology platform and intake and case management functions potentially represent a major step forward in the evolution of the social assistance delivery system. They will also form an important part of the mandatory provincial legislative and regulatory framework within which municipalities deliver social assistance.

Yet the major components of the SDM must also be piloted in Toronto. As partners with the Province, with primary responsibility for delivering social assistance, as well as a substantial funding role, municipalities have an obligation to ensure that the new SDM will result in a social assistance delivery system that maximizes opportunities and minimizes risks. This is especially the case in Toronto, given that its delivery system serves nearly 30 percent of social assistance recipients in the Province.

(A)   SDM Implementation in Toronto: Principles:

As a way of articulating the City's responsibility for delivering OW, this report proposes a set of key principles to guide the introduction and implementation of the SDM in Toronto, and to provide a framework for assessing the SDM's impacts on the City's social assistance delivery system (see Attachment No. 2). Drawn from basic positions regarding the SDM drafted for the Greater Toronto Area's Chief Administrative Officers, it is ultimately against these principles that the outcomes of the new delivery model should be assessed.

(B)   Implications for Toronto's OW Delivery System:

In many ways, the scope of the changes to the delivery system proposed under the SDM is unprecedented. Inevitably, there will be significant implications for how municipalities provide services to residents in their communities. Delivery agents, including Toronto, have identified a number of important issues related to the design and introduction of the SDM.

The following comments do not question the need for a new service delivery model for social assistance. Rather, given that the SDM will form the basis for the delivery of social assistance in Toronto for the next decade or more, they reflect the importance of identifying key issues prior to implementation, and to clearly identifying the new Model's implications for local service delivery. They also recognize that refinements and changes are still being made to the SDM, and constitute a source of input to this process.

Municipal Flexibility:

The SDM standardizes core delivery functions (e.g., intake and application processes, eligibility determination, and access to information about financial and employment benefits). Related administrative practices and business processes are also prescribed to a greater degree than before. These changes will result in a more uniform and consistent framework for the delivery of social assistance across the Province.

However, inherent in this approach is a potential loss of flexibility at the municipal level. Municipalities, like Toronto, have developed unique social assistance delivery models in response to diverse demographics and community needs, but also to municipal councils' priorities and decisions. It is, therefore, of utmost importance that the City has the flexibility to continue to refine and improve its own service delivery model. This includes the ability to test innovative approaches to service delivery.

Supporting the Delivery of Financial and Employment Assistance:

The SDM will standardize and streamline the delivery of both financial and employment assistance under OW and ODSP across the Province. Such standardization may be problematic if Toronto's unique circumstances are not taken into account. One area of concern relates to telephone screening. It is critical, given the City's extraordinary linguistic diversity, and given the proportion of applicants for whom telephone screening may not be appropriate, that TSS

have the flexibility to provide appropriate access to services to a sizable number of prospective OW applicants.

The SDM must also meet core program needs. At this point, it is not certain to what degree the new Model will be capable of supporting the delivery of employment assistance functions. Currently, the functions envisioned are an extension of the current Ontario Works Technology. Caseworkers will be able to create basic demographic and employment profiles of applicants, and will have access to a basic job-matching tool. However, to ensure that clients receive the help they need to find work, and to ensure that delivery agents meet provincial program targets and objectives, municipalities will potentially be required to augment the tools included in the SDM with local technical and program solutions (e.g., employability and screening tools).

It is also worth noting that certain "back office" processes (e.g., information management and monitoring in a wide range of administrative and program functions) will not be incorporated into the new technology. Neither will it provide the TSS with the tools required to carry out increasingly important delivery functions, such as the management of contracts with service providers. Local initiative will still be required in these areas.

TSS is also continuing to provide input into the SDM to ensure that there is a sufficient focus on measuring increased program effectiveness and client outcomes, and that non-value added administrative processes are avoided.

Local Delivery System Improvements:

Toronto has a history of innovation in delivering social assistance. Currently, in response to the recommendations flowing from the Provincial Operational Review of the City's OW program, TSS is actively working to improve its capacity to assist OW clients successfully enter the labour market. The initiatives and strategies being explored and developed are an essential part of the City's efforts to meet provincial targets and performance standards. For example, TSS is in the process of developing and testing enhanced service planning techniques, tools, and processes to provide greater accuracy in identifying clients' employment related needs and barriers. Improved mechanisms for targeting appropriate interventions to clients, and making accurate referrals to agencies, are also being tested.

It is crucial that TSS have the capacity under the SDM to continue these and other locally generated initiatives, particularly since the SDM may provide limited support for the delivery of employment assistance functions in Toronto.   In any event, the new technology platform required to implement these functions will not be fully implemented for up to two years.

Testing the SDM in Toronto:

TSS has substantial experience implementing large-scale provincial initiatives, as well as technology related projects. This experience strongly supports piloting, wherever possible, new technologies, products, or processes in advance of full-scale implementation. Testing of pilots provides invaluable information about how, and whether, a system will work in Toronto's delivery environment. It also provides Toronto Social Services' with crucial information about

the impacts of technologies or business processes on the delivery system, which are not necessarily evident based on tests at smaller delivery sites. Again, Toronto Social Services' experience with OWT provides a cautionary example of the implications for the Division of relying on a technology that did not adequately meet its needs.

(III)   Provincial SDM Implementation Framework:

MCSS's timeframe for full Province-wide implementation of the components of the SDM is January 2002. In order to meet this end-date, a rigorous implementation plan is being developed. As an initial step, a BTP Implementation Advisory Group has been struck. The Group comprises Ministry and BTP project staff, plus three representatives from municipal delivery agents. The General Manager of Social Services represents the City. The Group will provide input and advice to BTP staff on planning and execution of Province-wide implementation of the SDM.

At the official SDM launch on January 27, 2000, a high level framework to guide the overall implementation process was presented to municipal staff. It is within the context of this proposed framework, which is still being reviewed, that detailed implementation plans will be developed in a number of areas (e.g., process changes, facilities and technology infrastructure, training, etc.). A proposed implementation issue resolution process has also been developed.

As noted previously, because it does not rely on the new technology platform, the new Consolidated Verification Process is already being piloted across the Province. In December 1999, TSS began pilots in three local offices. In anticipation of City-wide implementation, TSS is conducting an evaluation of the pilot's outcomes to assess the benefits realized through its use. The results of the evaluation will be provided to Community Services Committee in a future report.

The first stage of implementation involving the new SDM components will focus on two components: the introduction of Interactive Voice Response (IVR); and the initial version of the new two-tier intake and eligibility screening process. Planning for testing the IVR has already begun, and pilot sites have been selected (Waterloo-Cambridge (ODSP), Sudbury and Hamilton-Wentworth (OW).

With regard to the new intake process, it was intended that only a small number of centralized Intake Screening Units would be established across the Province. On February 8, 2000, the Minister of Community and Social Services announced that seven Units would be developed, serving clusters of municipalities within the MCSS/Ministry of Health and Long Term Care regional boundaries. In this way, Units would handle a sufficient number of inquiries to operate efficiently. Since the City of Toronto constitutes a single region, TSS will operate one Intake Screening Unit. In each of the other regions, which are comprised of multiple consolidated municipal delivery agents, the location of the centralized Unit will be decided through a competitive process.

TSS will pilot the new intake screening process over the next several months on the Province's behalf. This pilot will provide the Province with an initial opportunity to assess the new process,

and the performance of a centralized Intake Screening Unit. It will also enable the Division to assess the impacts the new intake function will have clients, and on the City's delivery system.

Implementation Criteria:

Given the scope of the SDM, and the importance of a successful implementation phase, it is critical that the SDM implementation plan developed for Toronto adheres to the principles articulated earlier in this report. However, at a more concrete level, it is recommended that piloting of the SDM components, including the Intake Screening Unit, proceed on the basis of clear implementation criteria. Attachment No. 2 lists the proposed criteria. The Commissioner of Community and Neighbourhood Services will forward a report to the Community Services Committee in the Spring of 2000 that outlines TSS's plans for implementing the new Intake Screening Unit in accordance with these criteria.

SDM Implementation: Funding and Human Resources Implications:

The Province will fund at 100 percent for six months activities related to the establishment of pilot phases of SDM components, including key staff positions and administrative supports as required. Additional resources may also be provided if it is determined that they are needed. After this point, cost-sharing will revert to the conventional 50/50 provincial/municipal formula for administration.

TSS's position, in terms of its negotiation with the Province regarding the implementation of the SDM, including piloting the Intake Screening Unit, is that there be no adverse impacts on the City's net social assistance expenditures. Any impacts on the Division's gross budget will be reported through the budget process. In the longer term, no negative impacts are anticipated on the City's net social assistance expenditures, as the implementation of the SDM is expected to generate efficiencies in the delivery of social assistance.

Prior to addressing human resources implications related to the implementation of the SDM, it will be critical to carefully assess the impacts of the new delivery system as a whole. Full implementation is projected for January 2002, with the major components phased in at different points over the next two years. Impacts on human resources and workloads will be carefully evaluated during the pilot stage for each component, up to completion of the SDM implementation process. Given the breadth of the changes anticipated, it is appropriate that any necessary actions related to TSS's human resources and staffing strategies be based on these evaluations, and on an assessment of the overall impact of the fully implemented SDM.

Conclusion:

By harnessing advances in technology, and developing new streamlined business processes, the SDM potentially represents a major step forward in the evolution of the Province's social assistance delivery system. In an effort to ensure that the SDM will provide the intended benefit to residents and TSS staff, this report proposes a set of principles to guide the introduction and implementation of the SDM in Toronto. These principles will also serve as a basis for assessing

the SDM's impacts in Toronto, and for seeking the flexibility to introduce the SDM in ways which will best meet Toronto's needs.

Implementation of the SDM will be a challenging task in Toronto given the magnitude of the changes being introduced and the aggressive timelines so far established. TSS is concerned about the potential impacts of the implementation process and schedule on the delivery system. Therefore, as a basis for effectively and manageably piloting components of the SDM, a set of implementation criteria is proposed.

The Commissioner of Community and Neighbourhood Services will forward a report to the Community Services Committee in Spring of 2000 that discusses the SDM implementation process in greater detail, and that outlines Toronto Social Services' plans for piloting the new Intake Screening Unit in accordance with the proposed implementation criteria.

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Attachment No. 1: City of Toronto Principles Governing Implementation of the Provincial Service Delivery Model (SDM)

Attachment No. 2: Proposed SDM Implementation Criteria

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Attachment No. 1

City of Toronto Principles Governing Implementation of the Provincial Service Delivery Model (SDM):

It is proposed that the SDM should:

(1) result in prompt, effective, responsive and appropriate client service;

(2) incorporate responsive and adequate technology support systems;

(3) enable local initiatives aimed at supporting and improving the delivery of OW services;

(4) respect municipal administrative and funding integrity;

(5) recognize municipalities' responsibilities and roles related to the delivery of OW, as per the well-established "pay for say" tenet; and

(6)   provide maximum local flexibility to respond to community needs and to meet unique circumstances.

Attachment No. 2

Proposed SDM Implementation Criteria:

It is proposed that pilots developed as part of the Service Delivery Model implementation plan in Toronto should:

(1)   have no adverse budget impacts for the City;

(2)   conform to the City's corporate facilities and technology standards;

(3)   clearly identify and distinguish respective provincial and municipal roles and responsibilities, and establish a clear accountability framework to govern the implementation process;

(4)   take into account Toronto Social Services' ongoing operational priorities, as these relate both to fulfilling its core service delivery mandate, including meeting Provincial targets, and to acting on the recommendations of the Provincial Operational Review; and

(5)   conform to the City's and Toronto Social Services' human resources and labour relations practices.