

Submission
to the Minister of Health
by the
Canadian Union of Public Employees

Regarding the
Subsidization of Home Care Costs
By Home Health Aides

July, 2002



Introduction

With the introduction of health care reform in the early 1990s, the provincial government expanded the level of home care services. As hospitals and nursing homes were closed or converted to community health centers, there was an increased emphasis on the delivery of health care services to people in their homes. In theory, this shift from institutional-based to community-based care was supposed to be more responsive to patients and would allow the elderly to remain independent in their homes with some assistance.

There have been some studies examining the cost-savings by providing home care services or the impact of home care on the quality of care, but very little attention has been paid to the impact of home care policy on the health care workers that deliver the services. Through this brief we want to outline a particularly negative impact: increased transportation costs for home care workers.

Simply stated, Home Health Aides are paying to do their job. The cost savings from shifting health care services to the home have partially resulted from transferring costs to the workers who deliver the services. The employers' reimbursement of transportation costs does not cover even a fraction of what it costs to maintain, operate and own a vehicle. Home Health Aides are, in fact, subsidizing our health care system by using their vehicles to carry out the duties of their employment. We will outline why this situation needs to be urgently addressed and provide our proposals to correct this inequity.

Average Annual Driving Costs

The Canadian Automobile Association (CAA) prepares a document calculating the average annual cost to operate a vehicle in Canada. The most recent document is based on January 2002 figures and is based on the use of a 2002 Chevrolet Cavalier four door sedan. The costs reflect average national costs and therefore the actual costs to operate a vehicle would depend on a number of factors. CAA estimates that it costs from \$7,733.40 per year to operate a car that has traveled 12,000 kilometers in a year or up to

\$11,947.40 to operate a car that has been driven 32,000 kilometers in the year. The fewer kilometers driven, the higher the cost per kilometer to operate a car.

Driving conditions also play a factor on the operating costs of a vehicle. In-town driving with constant stops will wear out tires and demand a higher level of maintenance than mostly highway driving.

The following table shows the average annual costs for operating, owning and driving a vehicle in Canada as calculated by CAA. The table also shows the level of reimbursement for Home Health Aides who use their own vehicles to provide home care services.

Table 1: Average Annual Driving Costs of a New Car, 2002

Average Annual Operating Costs on a 2002 car (CAA)*	Average Annual Ownership Costs of a 2002 car (CAA)*	Annual Driving Costs (operating plus ownership)	Car allowance provided to Home Health Aides
Fuel and oil: 7.75¢/km	Insurance: \$1,469.00 per year	12,000 km/year: \$7,733.40 or 64.4¢/km	Minimum: \$4.50/day or \$1,096.20 annually
Maintenance: 2.9¢/km	License & registration: \$127.89	16,000 km/year: \$8,223.40 or 51.4¢/km	Kilometrage rate: 31.85¢/km
Tires: 1.6¢/km	Depreciation: \$3,940.54	18,000 km/year: \$8,468.40 or 47¢/km	
	Finance Expense (loan): \$725.00	24,000 km/year: \$9,959.40 or 41.5¢/km	
Total average annual operating cost: 12.25¢/km	Total avg. annual ownership costs: \$6,262.43 or \$17.16 per day	32,000 km/year: \$11,947.40 or 37.3¢/km	

**based on a 2002 Chevrolet Cavalier LS four door sedan and an assumed annual driving distance of 18,000 kilometers. Calculations on figures available as of January 2002.*

The cost of providing a car for the employer

Home Health Aides across this province who are using their own cars to perform their work are, in fact, subsidizing the health care system. Even if the Home Health Aide does not drive enough kilometers to receive more than the \$4.50 daily minimum rate as per the collective agreement, the CAA annual operating cost of 12.25¢ per kilometer would yield an annual minimum cost of about \$415.74 per year. It is important to emphasize that the estimated 12.25¢/km operating cost is based on gas prices of 68.5¢ per litre, which is lower than what gas prices in Saskatchewan had been in the last year. Then if we add the annual cost of owning a vehicle at \$6,262.43 we would come to a total of \$6,678.17. The minimum reimbursement a Home Health Aide would receive for use of personal vehicle is \$1,096.20, or \$5,581.97 less than the minimum average total operating and ownership costs based on CAA calculations.

It is important to stress that the CAA estimated average costs are based on a 2002 Chevrolet Cavalier. Many of our Home Health Aides do not drive new cars and would have much higher operating and maintenance costs, especially because of the constant short trips they make. One Home Health Aide had to replace the door handle in her car because of the constant use. The Home Health Aides in rural areas have increased costs such as higher insurance deductibles because of stone chips from driving on gravel roads or hitting deer or other animals. Home Health Aides face other hazards on the road, and pray that their car will make it through inclement weather and poor road conditions. If their car breaks down or goes into a ditch, they are responsible for the cost of a tow truck.

We believe that it is unfair to expect Home Health Aides to continue to subsidize the health care system by providing their own vehicles to do their job. The provision of health care services to clients in their home is a policy decision of the provincial government and the district health boards. When that policy came into effect, the true cost of delivering home care services was not considered. The workers who deliver these services, however, should not have to subsidize the costs of providing health care to people in their homes.

It is important to note that Home Health Aides are the lowest paid classification and that other health providers, who earn higher salaries, often have access to employer-

provided vehicles to perform their job. This is a simple question of fairness and justice: Home Health Aides want access to employer-provided vehicles as well.

This is also a gender issue: the majority, if not all Home Health Aides, are women. The shifting of health services from institutions to home care has meant a loss of jobs or fewer hours of work for women. The creation of jobs in the home care field in many cases has resulted in deteriorated working conditions and a requirement for women to subsidize the health care system in order to do their job. Hospital laundry and linen is transported in laundry trucks, not in the vehicles of the workers. Health districts provide vehicles for the delivery of other health services. Why are Home Health Aides expected to provide their own vehicles to provide essential health care services to their clients?

Taking Action: Home Health Aides in the Battlefords Health District

Earlier this year the Home Health Aides in the Battlefords Health District decided they were tired of subsidizing the costs of doing their job. The Home Health Aides noted that the CUPE/SAHO collective agreement does not require them to use their own vehicles to perform their work. Instead, the agreement states that they may use their own vehicles for work if requested by the employer and *they agree*. In January 2002 the Health Home Aides gave 30 days notice to the employer that they would no longer use their own vehicles to travel to clients' homes effective February 18, 2002.

The employer responded favourably by providing five CVA vehicles for the sole use of the Home Health Aides and indicated that two aides would be assigned to each vehicle. We commend the Battlefords Health District for this decision because it acknowledges that they understood there was an unfair cost burden being placed on Home Health Aides to carry out their duties. CUPE would like to thank the Battlefords Health District for their foresight and commitment to Home Health Aides.

Our Proposal: Provide vehicles for Home Health Aides

- **We urge all health districts to provide vehicles to Home Health Aides**

CUPE would like all health district employers to follow the lead of the Battlefords Health District and provide CVAs for their Home Health Aides. We are aware of one other health district that will make CVAs available to Aides but only if no other staff are using these vehicles.

We realize that the Provincial Government does not provide adequate funding to the Health Districts to cover the full cost of home care transportation and that this may not be a simple decision. We urge all health districts to request an immediate increase in funding from the provincial government to cover the transportation costs for the delivery of home care services.

- **We urge the provincial government to allocate funding for CVAs**

Most importantly, the provincial government must recognize that the subsidization of the health care system by Home Health Aides is a serious inequity and one that must be addressed immediately. The current allocation of funding to the health districts does not recognize the need to provide vehicles for the delivery of home care services. The province should immediately allocate appropriate funding to the health districts for the provision of CVAs to enable the delivery of home care services in a fair and equitable manner.

In last year's provincial budget, Saskatchewan Health allocated \$3.5 million for private, non-unionized ambulance workers to ensure "compensation parity" with unionized emergency services workers. We were surprised at the speed at which an "inequity" in the private, non-union sector was addressed.

Our Home Health Aides are facing an unfair and unjust situation that deserves serious and immediate attention. We believe that Saskatchewan Health can find the resources to rectify the unfair subsidization of home care costs by the Home Health Aides.