



Veterans Affairs
Canada

Anciens Combattants
Canada

EVALUATION OF THE VETERANS INDEPENDENCE PROGRAM (VIP)

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Audit and Evaluation Division

Canada 

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Executive Summary

Background

The evaluation of the Veterans Independence Program (hereinafter called the “Program”) was conducted in accordance with the Veterans Affairs Canada (VAC) Multi-Year Risk-Based Evaluation Plan 2015-20. The evaluation covers the time period from April 1, 2010 to March 31, 2015, and was conducted between June 2015 and January 2016.

The objective of the Program is to assist eligible recipients to remain in their homes and communities as long as possible by providing financial assistance towards services which support and promote independence and health. Depending on circumstances and health needs, the Program can contribute to services such as housekeeping, grounds maintenance, personal care, access to nutrition, and health and support services. When home care is no longer practical, the Program assists Veterans to remain in their communities through financial support for intermediate care in community facilities (i.e., nursing home care).

The evaluation focused on the housekeeping and grounds maintenance components of the Program because:

- these two components combine for 77% of total program expenditures; and
- significant changes were made to the method of payment for these components during the period of the evaluation.

Overall Results

Relevance

The evaluation confirms a continuing need for the Program.

The Program directly supports VAC’s mandate and is aligned with the priorities of the Government of Canada, as well as the strategic plans of the Department. There were no issues identified with overlap or duplication between the Program and similar programs administered by the provinces. VAC and the provinces take external supports into consideration when calculating need.

Performance – Effectiveness

The effectiveness and success of the Program is measured through the use of a Performance Measurement Strategy (PMS) that includes a logic model with outcomes. The immediate outcome of the Program is the outcome over which the Department has the most influence. Yet the evaluation team found that performance indicators for the immediate outcome of the Program do not adequately measure outcome achievement.

The immediate outcome is currently measured in two different ways:

1. an individual is eligible; therefore, he/she has access to Program services; and
2. an eligible individual can find a service provider, therefore, he/she has access.

The Department does not have control over whether a service provider is available to provide services to an eligible Program recipient. The performance indicators must be revised to better measure the achievement of the immediate outcome.

The evaluation team found the intermediate and ultimate outcomes for the program are being met.

Performance – Economy and Efficiency

There were 96,722 Program recipients in 2014-15. Total program expenditures for the year were \$363M. At the time of the evaluation, the Department did not have the capability to accurately measure the full cost of its individual outputs found in the logic model. Program costs must be tracked and reported on in order to better measure program efficiencies.

In an attempt to determine administration cost trends, the evaluation team used the existing departmental allocation model, which does not measure the full cost of individual inputs and outputs. However, when applied consistently, the model indicates that administration costs have trended downward from 18% in 2011-12 (the first year of the evaluation period) to 12.3% in 2014-15.

It was difficult to compare Program administration costs to international Veterans programs or provincial home care programs as the models were dissimilar and administration costs were calculated differently for each program.

There were no issues identified with overlap or duplication regarding the internal administration of the program and decisions were found to be made in a timely manner.

In January 2013, the Department changed the payment model for the housekeeping and grounds maintenance components of the Program from a contribution to a grant. Available preliminary data was not sufficient to evaluate the efficiency of the new payment model.

Unintended Outcomes

A Grant Determination Tool (GDT) was developed and implemented by the Department to assist in calculating the level of need for housekeeping and grounds maintenance. The tool is used by both the Department and the Health Claims Processor. The evaluation determined that the tool ensures consistency and equitable treatment for recipients across the country. However, the evaluation found that the tool will not produce a result whereby a recipient can receive between 4 and 14 hours of housekeeping services (i.e. the tool can provide up to 4 hours of services, or 14 hours of

service, but nothing in between). The tool must be refined to provide more flexibility in the hours of service provided.

Recommendations

The evaluation findings resulted in the following recommendations:

Recommendation 1:

It is recommended that Director General of Service Delivery and Program Management:

- a) revise the performance indicators to better measure the achievement of the immediate outcome;**
- b) accurately measure the cost of inputs and outputs for the Program; and**
- c) report on results.**

Recommendation 2:

It is recommended that the Director General of Service Delivery and Program Management refine the tool used to determine housekeeping hours to ensure benefit recipients receive adequate support.

1.0 Introduction

The evaluation of the Veterans Independence Program (herein called the “Program”) was conducted in accordance with the Veterans Affairs Canada (VAC) *Multi-Year Risk-Based Evaluation Plan 2015-20*. The last evaluation of the Program was completed in July 2011.

The evaluation examined the relevance and performance of the Program and was conducted in accordance with Treasury Board policy requirements and guidance material.

1.1 Program Overview

The Program is VAC’s national home and community care-based program which assists eligible Veterans, and their primary caregivers¹ and survivors², to remain in their homes and communities as long as possible. The Program provides financial assistance towards services which support and promote independence and health. When home care is no longer practical, the Program assists Veterans to remain in their communities through financial support for intermediate care in community facilities (i.e., nursing home care)³.

The Program can provide a grant⁴ or contribution⁵ towards the cost of the following home care and support services:

- grounds maintenance services, such as lawn mowing or snow removal;
- housekeeping services, such as house cleaning, laundry, meal preparation, or errand services;
- personal care services, such as assistance with bathing, dressing, or eating;
- access to nutrition or food services, such as *Meals on Wheels*;
- home adaptations when they are required to facilitate independence;
- ambulatory health care for travel to health or social services outside the home;

¹ A primary caregiver, as defined in s. 16(3) of the *Veterans Health Care Regulations*, means the adult person who, immediately before the client died or was admitted into a health care facility:

- a. was primarily responsible, without remuneration, for ensuring that care was provided to the client; and
- b. for a continuous period of at least one year, resided in the principal residence of the client and maintained the client or was maintained by the client.

² A survivor, as defined in s. 16.1(2) of the *Veterans Health Care Regulations*, means an adult individual who, immediately before the person died or, if the person died in a health care facility, immediately before the person was admitted into the health care facility:

- a. was primarily responsible, without remuneration, for ensuring the care was provided to the person; and
- b. for a continuous period of at least one year, resided in the principal residence of the person and maintained the person or was maintained by the person.

³ Veterans Affairs Canada, *Performance Measurement Strategy: Veterans Independence Program* March 14, 2014, p.3.

⁴ A grant is a transfer payment subject to pre-established eligibility and other entitlement criteria. A grant is not subject to being accounted for by a recipient or normally subject to audit by the department. The recipient may be required to report on results achieved. (Source: Treasury Board of Canada, *Policy on Transfer Payments*).

⁵ A Contribution is a transfer payment subject to performance conditions specified in a funding agreement. A contribution is to be accounted for and is subject to audit. (Source: Treasury Board of Canada, *Policy on Transfer Payments*).

- transportation services to help support independence and participation in social activities when the individual's health condition makes travel difficult;
- health and support services, such as assessments, diagnostic services, and personal care provided by a health professional; and,
- intermediate care when a greater level of nursing or personal assistance is required⁶.

Applications for the Program are submitted to VAC for an initial screening. Once determination of need is made, eligible recipients are assessed and the amount of financial assistance to be received is calculated.

VAC has obtained the services of a Health Claims Processor (herein referred to as the "Processor") to provide payment services to benefit recipients and Program providers. The Processor is also responsible for annual follow-up with recipients to determine if there has been a change in health needs and action accordingly.⁷

The evaluation team found that the Program is mature and is operating well. As of March 31, 2015, there were 96,722 Program recipients (see Table 1 for detailed recipient numbers over the evaluation period).⁸ Program expenditures for the year ending March 31, 2015, totaled \$363M, with \$281M attributed to housekeeping and grounds maintenance, the two largest components (see Table 2 for detailed Program expenditures over the evaluation period)⁹.

Table 1 – Veterans Independence Program Recipients

VIP Recipients	Actuals as of March 31st				
	2010-11	2011-12	2012-13	2013-14	2014-15
Veterans	70,115	67,235	64,616	61,829	58,624
War Service	50,228	45,063	40,494	35,380	30,430
Canadian Armed Forces	19,887	22,172	24,122	26,449	28,194
Survivors	37,573	38,349	38,379	39,766	38,098
Total VIP Recipients	107,688	105,584	102,995	101,595	96,722

Table 2 – Veterans Independence Program Expenditures¹⁰

VIP Expenditures (\$millions)	Actuals as of March 31st				
	2010-11	2011-12	2012-13	2013-14	2014-15
Ambulatory Care	\$1.1	\$1.1	\$0.9	\$0.8	\$0.6
Health and Support Services	\$0.4	\$0.3	\$0.4	\$0.5	\$0.4
Access to Nutrition	\$9.5	\$9.3	\$8.7	\$7.8	\$7.2
Personal Care	\$24.4	\$25.5	\$25.1	\$24.9	\$23.0
Housekeeping	\$206.3	\$210.7	\$208.6	\$75.9	\$0.4
Grounds Maintenance	\$52.0	\$50.0	\$50.1	\$19.9	\$0.1
Social Transportation	\$2.1	\$1.8	\$1.6	\$1.3	\$1.0
Home Adaptations	\$0.5	\$0.7	\$0.7	\$0.6	\$0.8
Adult Residential Care	\$0.1	\$0.2	\$0.1	\$0.0	\$0.0
Intermediate Care	\$57.9	\$57.0	\$55.5	\$52.5	\$49.0
Total Contributions	\$354.4	\$356.8	\$351.7	\$184.1	\$82.6
Housekeeping and Grounds Maintenance Grants	\$0.0	\$0.0	\$28.4	\$245.6	\$280.5
Total VIP	\$354.4	\$356.8	\$380.1	\$429.6	\$363.1

⁶ Veterans Affairs Canada External Website.

⁷ Veterans Independence Program, *Business Requirement Document*, March 2015, p.4.

⁸ Veterans Affairs Canada *Facts and Figures Book: March 2015 Edition*, p.21.

⁹ Veterans Affairs Canada *Facts and Figures Book: March 2015 Edition*, p.22.

¹⁰ 2013-14 costs reflect the conversion of the housekeeping and grounds maintenance components from a contribution to a grant.

1.2 Program Eligibility

Originally called the Aging Veterans Program, the Veterans Independence Program was established in April 1981. Since that time, the Program has evolved and expanded to support and reflect the changing needs of its target population. Initially, the Program focused on the provision of services to war pensioners for needs related to their pensioned condition. Over time, to respond to changing needs, the mandate of the Program expanded to include additional recipients, such as individuals who:

- qualify for a disability benefit;
- qualify for the War Veterans Allowance;
- are in receipt of Prisoner of War Compensation;
- are eligible for, but unable to access, a Contract Bed¹¹ (also known as a Priority Access Bed);
- have been the primary caregiver for an eligible Veteran or civilian; or
- are a low-income or disabled survivor of an eligible Veteran or civilian¹².

2.0 Scope and Methodology

The evaluation was conducted in accordance with the directive and standards specified in Treasury Board of Canada's 2009 *Policy on Evaluation*. The evaluation covers the time period from April 1, 2010 to March 31, 2015, and was conducted between June 2015 and January 2016.

Previous audits and evaluations, such as the *2015 VIP Follow-up Audit* and the *Evaluation of the Veterans Independence Program 2011*, were used in calibrating¹³ the scope of the evaluation. The evaluation team focused primarily on the housekeeping and grounds maintenance components of the Program for several reasons:

- housekeeping and grounds maintenance are the Program's two largest components, accounting for 77% of program expenditures in 2014-15 (combined \$281M out of total program spending of \$363M)¹⁴.
- the method of payment for these components has changed from a contribution to a grant since the last evaluation was completed in July 2011;
 - the change from a contribution to a grant in January 2013 is the single biggest change to the program since the last evaluation; and

¹¹ Contract beds are beds that are set aside in a community facility pursuant to a contractual arrangement between the facility and VAC. Veterans Affairs Canada *Evaluation of the Intermediate and Long Term Care Programs*, January 2014.

¹² Veterans Affairs Canada External Website.

¹³ Calibration is the process of adjusting an item (e.g., a tool or instrument) to the sensitivity required to suit a particular function. In this document, calibration refers to the process of adjusting how evaluations are conducted, based on a number of different factors, in ways that produce quality evaluations cost-effectively. Calibration can involve adjustments that increase or decrease the required level of effort, scope or depth of analysis. (Source: Treasury Board of Canada Secretariat Website. *What to Consider when Calibrating Evaluations*.)

¹⁴ Evaluation team analysis of Veterans Affairs Canada's *Facts and Figures Book: March 2015 Edition*, p.22.

- the implementation of the grant necessitated the development of a new Grant Determination Tool (GDT) to assist in consistent calculation of funding across the country.

The following areas were excluded from the scope of the evaluation:

- intermediate care was not reviewed as it was included as part of the *Evaluation of the Intermediate and Long Term Care Programs* in 2014;
- recent departmental announcements (e.g., changes to the follow-up process and future anticipated system changes) were not analyzed in depth as their planned implementation date is outside the evaluation period; and
- smaller elements of the Program, which combine for only 10% of program expenditures¹⁵.

Program eligibilities and processes were examined at a high level as they are being reviewed as part of the Department's five-year strategy. The five-year strategy (2015-20) is being developed to enhance support to Veterans, focusing on cultural change in the Department as well as departmental output, policies, practices, and processes. The strategy is being built on three objectives:

- a Veteran-focused approach that places Veterans firmly at the centre of all VAC business, ultimately fostering the well-being of Canada's Veterans;
- a seamless integration of Veterans Affairs and National Defence transition programs and services by removing the complexities of navigating between the two organizations in order to access benefits during the release process; and
- a focus on service excellence that will recognize and create opportunities to exceed expectations by understanding Veterans and their needs¹⁶.

It should be noted that the Program underwent a gender based analysis in December 2011; no issues were identified with respect to gender bias¹⁷. To further validate this finding, the evaluation team completed a statistical analysis of current housekeeping and grounds maintenance data on services provided to recipients. No issues with regards to gender bias were noted.

2.1 Multiple Lines of Evidence

The research methodology incorporated multiple lines of evidence, thus ensuring the reliability of information collected and results reported. The lines of evidence used to evaluate the Program's relevance and performance are outlined in Table 3.

¹⁵ Analysis by the evaluation team of data in Veterans Affairs Canada *Facts and Figures Book: March 2015 Edition*, p.22. Analysis does not include intermediate care expenditures as they were also scoped out of the evaluation.

¹⁶ Veterans Affairs Canada *Report on Plans and Priorities 2015-2016*, p.3.

¹⁷ "Gender Based Analysis of VAC's Veterans Independence Program," VAC, December 2011, p.8.

Table 3 – Sources of Information Reviewed During the Program Evaluation

Methodology	Source
Non-Departmental Literature Review	<ul style="list-style-type: none"> • Senate and House of Commons reports, Budget speeches, and Speeches from the Throne; • Program documents and data from the United States, Australia, and the United Kingdom; • Program documents and data related to provincial home care programs offered across Canada; • Media articles relating to the Program; and • Policies and procedures developed by the Processor.
Departmental Documentation and Secondary Research Review	<ul style="list-style-type: none"> • Departmental acts and regulations, Treasury Board Submissions; • VAC reports/published research papers, policies, procedures, strategic documents, performance reports, and recipient complaint records; • Pre-existing recipient survey/public opinion research (e.g. VAC National Client Survey 2010); and • Previous audits and evaluations.
Interviews and/or Work Observations	<ul style="list-style-type: none"> • Telephone and in-person interviews with 60 VAC and Processor staff involved in the delivery of the Program; • Interviews with 12 VAC senior executives and program experts; the Office of the Veterans Ombudsman; and representatives from provincial home care programs; and • Observation of business processes and procedures used by the Processor.
Recipient Feedback/File Review	<ul style="list-style-type: none"> • VIP follow-up forms (to confirm that benefits received by Program recipients are appropriate and are meeting their needs); • File reviews (to determine the timelines of Program decisions, whether Program amounts changed for Veterans after the program switched from a contribution to a grant, and whether Program amounts changed for survivors/primary caregivers after the implementation of the GDT).
Statistical Analysis	<ul style="list-style-type: none"> • Financial, demographic, and operational data collected by VAC and analyzed by the evaluation team for fiscal years 2010-11 to 2014-15.

2.2 Limitations and Analytical Challenges

The following limitations were identified during the evaluation:

1. The evaluation team did not speak directly with individuals in receipt of a Program benefit.

The team partially mitigated this limitation by:

- reviewing existing data (e.g. VAC’s 2010 National Client Survey and VIP annual follow-up forms);
- conducting interviews with VAC employees who deal directly with Program recipients with the intent to obtain the perspectives of Veterans; and
- observing follow-up calls and GDT interviews conducted by the Processor.

2. The Program did not have mechanisms in place to assess performance during the timeframe covered by this evaluation:
 - Program management had limited ability to capture program performance data;
 - changes to the systems used to track Program data will not be implemented until 2016; it is anticipated that these changes will assist in compiling performance data;
 - VAC quality assurance procedures were subsequently implemented in 2015-16; and
 - quality assurance procedures for the Processor were not in place, but are currently under development.

The evaluation team partially mitigated limitations by conducting a file review to determine if Program decisions were being made in a timely manner. The team also made inquiries as to the nature of complaints received by VAC and the Office of the Veterans Ombudsman (OVO); no significant issues were identified.

3. Administration expenses for the Program were reviewed. However, a comparison could not be made to programs offered through international departments of Veterans Affairs as they are too dissimilar.

The evaluation team also attempted to conduct a literature review of similar provincial home care programs. Administration information on provincial programs was limited and, where available, not measureable against the Program due to differences in the delivery models used. This situation prevented a wholesome comparison of administration costs (see section 4.2 for more details).

The above limitations should be considered when reading the evaluation findings.

3.0 Relevance

3.1 Continued Need for the Program

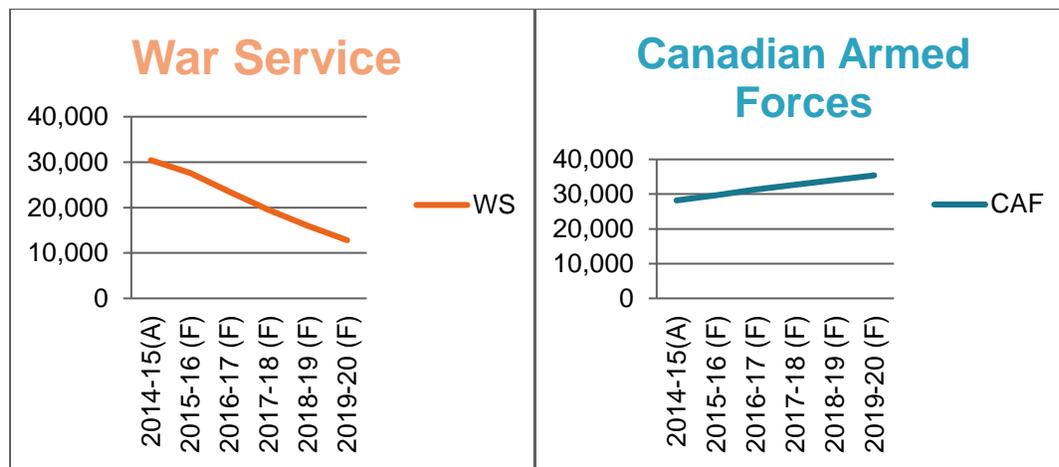
There is a continued need for the Program.

As a result of injuries and aging, many Veterans and eligible civilians are no longer able to independently perform activities necessary to allow them to remain at home without assistance. The Program provides support to help individuals who want to remain healthy and independent in their homes and communities and delay, for as long as possible, the admission to a long term care facility¹⁸.

¹⁸ Veterans Affairs Canada, *Performance Measurement Strategy: Veterans Independence Program* March 14, 2014, p.4.

A trend of decreasing war service Veterans¹⁹ and increasing Canadian Armed Forces (CAF) Veterans²⁰ is forecasted over the next five years. The war service population, the program’s original target population, is forecasted to decrease by 58% (from 30,430 in 2014-15 to 12,800 in 2019-20). However, an emerging and growing need was identified within the CAF population which is forecasted to increase by 26% (from 28,194 in 2014-15 to 35,400 in 2019-20)²¹. As Figure 1 shows, although the number of war service Veterans using VIP will decline, an increase in need is forecasted for the Program within the CAF population. As the CAF population ages, a need for Program services will emerge among CAF Veterans and their primary caregivers.

Figure 1 – Actual and Forecasted Demand for the Program²²



* In Figure 1 above, “A” represents actual recipient population and “F” represents forecasted recipient population

Canadian home care trends show a large proportion of Canadians have unmet home care needs. “In 2012, 2.2 million individuals, or 8% of Canadians 15 years of age and older, received help or care at home because of a long-term health condition, a disability, or problems related to aging...of the 2.2 million Canadians who received home care in 2012, 15% (331,000) did not receive all the help needed”²³.

The average age of a CAF Veteran is 57 years old²⁴. In its report, *Canadians with Unmet Home Care Needs*, Statistics Canada has highlighted that Canadians in this age group are being underserved by the health care system²⁵. The Program helps to support Veterans in this age group whose needs may not be met through the provincial health care system.

¹⁹ War Service Veterans: Veterans who have served in World War I, World War II, or the Korean War.

²⁰ CAF Veterans: Veterans who have served post-Korean War.

²¹ Evaluation team analysis of data contained in Veterans Affairs Canada. *Facts and Figures Book: March 2015 Edition*, page 21.

²² Ibid.

²³ Turcotte, Martin, *Insights on Canadian Society - Canadians with Unmet Home Care Needs*. Statistics Canada, September 9, 2014, p.1.

²⁴ Veterans Affairs Canada *Facts and Figures Book: March 2015 Edition*, p.6.

²⁵ Turcotte, Martin, *Insights on Canadian Society - Canadians with Unmet Home Care Needs*. Statistics Canada, September 9, 2014, p.6.

No overlap or duplication was identified between the Program and provincial services.

Home care programs similar to VAC's Program exist in each Canadian province. Although there are similar services offered by both VAC and the provinces, there are mechanisms in place to ensure there is no overlap in benefits. For example, the GDT takes into consideration provincial benefits provided for home care and grounds maintenance and deducts these benefits from the total amount recipients' are eligible to receive through the Program. Staff also indicated that there is no overlap or duplication in services provided by provincial home care programs and VAC's Program.

3.2 Alignment with Government Priorities

The Program is aligned with the priorities and objectives of the federal government, as well as VAC, and with the strategic outcomes identified by the Department.

The October 2013 *Speech from the Throne* states, under Section 3: Putting Canada First – Supporting our Armed Forces, that the Government of Canada “...will always keep faith with those who have defended Canada with pride. Our veterans have stood up for us; we will stand by them”²⁶.

The Program addresses this Government of Canada priority as it provides services and supports that aim to help Veterans, their survivors, and their primary caregivers remain healthy and independent in their own homes and communities.

Economic Action Plan 2014 reaffirmed that the “*Government of Canada is dedicated to honouring the sacrifices made by veterans and their families and ensuring that they receive the support they need*”²⁷. The Program contributes to the support of Veterans' independence and, thus, meets the objectives as outlined in the plan.

²⁶ Canada Governor General. *Speech from the Throne to Open the Second Session of the 41st Parliament of Canada*, October 16, 2013, p.17.

²⁷ Government of Canada, *Economic Action Plan 2014 - The Road to Balance, Creating Jobs and Opportunities* February 11, 2014, p.221.

3.3 Alignment with Federal Roles and Responsibilities

The Program directly supports VAC's mandate.

VAC's mandate stems from laws and regulations. Among the more significant is the *Department of Veterans Affairs Act*, which charges the Minister of Veterans Affairs with the following responsibilities:

"...the care, treatment, or re-establishment in civil life of any person who served in the Canadian Forces or merchant navy or in the naval, army or air forces or merchant navies of Her Majesty, of any person who has otherwise engaged in pursuits relating to war, and of any other person designated ... and the care of the dependents or survivors of any person referred to ..."28.

The Program directly supports the mandate of Veterans Affairs Canada as it provides funding and services to support the independence and care of eligible Veterans in their homes and communities.

VAC identifies three strategic outcomes for the Department in the Strategic Outcomes and Program Alignment Architecture (PAA) section of the 2015-16 *Report on Plans and Priorities*:

1. Financial, physical and mental well-being of eligible Veterans;
2. Canadians remember and demonstrate their recognition of all who served in Canada's efforts during war, military conflict and peace; and
3. Veterans' rights to services and benefits that address their needs are considered by Veterans Affairs Portfolio29.

The Program supports Strategic Outcome #1 through the provision of financial grants and contributions towards services that contribute to the well-being and independence of Veterans.

²⁸ *Department of Veterans Affairs Act* p.2.

²⁹ *Veterans Affairs Canada Report on Plans and Priorities 2015-2016*, p.5.

4.0 Performance

4.1 Effectiveness

Performance measurement monitors the progress of programs towards their expected results³⁰. A Performance Measurement Strategy (PMS) is used to regularly measure key indicators and results. This information can be used to compare achieved results to expectations and to assist in measuring the effectiveness and success of a program. A program Performance Measurement Plan (PMP) and a program logic model (see Appendix A), are tools that support the PMS. These tools have been developed for the Program and were analyzed by the evaluation team.

A logic model serves as a program's road map³¹. The model outlines the intended results (outcomes) of the program, illustrates key activities the program will undertake, and the outputs³² those activities intend to produce in achieving the expected outcomes. Although there are various factors or programs beyond the Department's control, the conclusion is that if individuals have access to home care and support services, then their needs will be met³³.

Program outcomes are the changes or differences that result from program activities and outputs. Outcomes are described as immediate, intermediate, or ultimate based on the contribution/influence the program has on each outcome. As outlined by the Treasury Board Secretariat (TBS) guideline, *Supporting Effective Evaluations: A Guide to Developing Performance Measurement Strategies*:

- immediate outcome(s) should equate to a “change in awareness, knowledge or skill”;
- intermediate outcome(s) should equate to a “change in the target population's behavior”; and
- ultimate outcome(s) should equate to a “change of state in a target population”³⁴.

When the above outcomes are met, the Program contributes to the Department's Strategic Outcome #1: *financial, physical, and mental well-being of eligible Veterans* (as shown in the PAA). The evaluation team found that although the tools to measure the outcomes have been established, reports required to accurately measure program success are currently not available.

³⁰ Canadian Institutes of Health Research, *Performance Measurement and Evaluation Framework*, Section 6.3.

³¹ Veterans Affairs Canada, *Performance Measurement Strategy: Veterans Independence Program* March 14, 2014, p.11.

³² Outputs are direct products or services generated from the activities of an organization, policy, program or initiative. Examples could include pamphlets, training sessions, research reports, etc. Source: Treasury Board Secretariat *Results Based Management Lexicon*.

³³ Veterans Affairs Canada, *Performance Measurement Strategy: Veterans Independence Program* March 14, 2014, p.18.

³⁴ Treasury Board Secretariat, *Supporting Effective Evaluations: A Guide to Developing Performance Measurement Strategies*.

Immediate Outcome: Eligible individuals have access to home care and support services.

The performance indicators of the immediate outcome for the Program must be revised to better measure outcome achievement.

The program logic is straightforward; the program provides those eligible with access to services. Section 3.1 gives an overview of these recipients and provides an indication of the recipient groups accessing the program annually.

The PMP indicates the immediate outcome is measured in two ways:

- a) An individual is eligible therefore he/she has access to Program services, measured by:
 - number of recipients who are eligible for the Program;
 - percentage of eligible recipients who received a payment or grant for Program services;
 - number and percentage of VIP appeals received, by level, number approved, and number declined.
- b) An individual can access services, measured by:
 - percentage of eligible Program recipients living at home who report they are able to find people to provide the Program services they need.

The immediate outcome is the outcome over which the program has the most control. VAC controls eligibility to the program and the disbursement of benefits. However, the program does not control the availability of service providers as outlined in (b) above.

The evaluation team is of the opinion that the performance indicators for the immediate outcome of the program must be revised to reflect results over which the Department has control. The PMP and PMS measures must be modified to reflect the achievement of the immediate outcome and reported upon accordingly.

Intermediate Outcome: Eligible individuals' needs for homecare and support are met.

The intermediate outcome for the Program is being met.

The last National Client Survey (conducted in 2010) reported that 86% of Program recipients said the Program "meets their needs"³⁵. Interviews with VAC staff and the Processor indicate that most³⁶ interviewees feel that recipients' needs are being met. This is further supported by the file review of the VIP follow-up which shows that 83% of recipients state the program meets their needs. The OVO noted in an interview that recipients have few concerns with the program and that Program files do not constitute a major workload for OVO staff.

Staff indicated in interviews that recipients have varying opinions on the introduction of the VIP grant payment. Staff noted some recipients are confused about the purpose of the money received, while others feel that with the introduction of the grant, they are now receiving less money. However, the findings of a file review conducted by the evaluation team show that since the implementation of the GDT, 92% of Veterans have been grandfathered in at their previous actual amount spent for Program services, or are now receiving more as a result of the GDT. For the 8% of Veterans who receive less since the implementation of the GDT, it was most often due to changes in the Veteran's circumstances (e.g. change of address, living arrangements, etc.). Therefore, the change from a contribution to a grant did not negatively impact recipients financially and it is reasonable to assume the program continues to meet their needs.

In addition, a statistically valid file review was conducted by the evaluation team to determine if survivors/primary caregivers were negatively affected by the introduction of the grant. The file review determined that survivors and primary caregivers are assessed on their own needs after the Veteran passes and that approximately 50% received more than the Veteran did prior to the implementation of the grant, and 50% received less or did not change³⁷.

³⁵ Veterans Affairs Canada, *Veterans Affairs Canada – National Client Survey: Final Report July 2010* p.71, Table 4.1d (61% agree that the program meets their needs and 25% strongly agree).

³⁶ Most: defined as 75% or more of the recipients asked.

³⁷ Confidence Level: 95% +/- 5 %.

Ultimate Outcome:

Eligible individuals are able to remain in their own homes and communities.

The ultimate outcome for the Program is being met.

The objective of the Program is “*to provide financial compensation to eligible Veterans and other clients so that they receive the home care and support services they need to remain independent in their homes and communities...*”.³⁸ The ultimate outcome is achieved if the Program contributes to recipients’ ability to live independently in their homes and communities longer.

VAC measures the ultimate outcome based on: the percentage of Program recipients who report reliance on the Program to allow them to remain at home; and, the rate of admissions of recipients to nursing homes. VAC’s 2010 *National Client Survey* shows that 92% of those in receipt of Program benefits agreed that “they rely on the VIP services received to help them remain in their homes and community”.³⁹ Interviews with VAC staff confirmed most interviewees felt that the program allowed recipients to stay in their homes.

This was further supported by the *Evaluation of the Veterans Independence Program (2011)* which found that “*Those receiving their first intermediate care payment ... show that the majority of recipients (84%) began VIP with home care elements, and had on average a two year delay in institutionalization compared to their counterparts who enter VIP directly through intermediate care*”.⁴⁰

³⁸ Veterans Affairs Canada, *Performance Measurement Strategy: Veterans Independence Program* - March 14, 2014, p.12.

³⁹ Veterans Affairs Canada, *National Client Survey: Final Report*. July 2010, p.69.

⁴⁰ Veterans Affairs Canada *Evaluation of the Veterans Independence Program (VIP)*, July 2011, p.VII.

4.2 Economy and Efficiency

Program expenditures remained relatively constant.

There were 96,722 Program recipients in 2014-15, including primary caregivers and survivors. Recipients are forecasted to decrease to approximately 79,900 by 2019-20 (see Table 4).⁴¹

Table 4 – Program Recipient Forecast

VIP Recipients	Forecast				
	2015-16	2016-17	2017-18	2018-19	2019-20
Veterans	57,300	54,800	52,300	50,100	48,300
War Service	27,600	23,500	19,500	16,000	12,800
Canadian Armed Forces	29,700	31,300	32,700	34,100	35,400
Survivors	36,900	35,900	34,600	33,200	31,600
Total VIP Recipients	94,200	90,600	86,900	83,300	79,900

Expenditures are forecasted to decrease as recipient numbers decline (see Table 5).

Table 5 – Forecasted Program Expenditure⁴²

VIP Expenditures (\$millions)	Forecast				
	2015-16	2016-17	2017-18	2018-19	2019-20
Ambulatory Care	\$0.7	\$0.7	\$0.6	\$0.6	\$0.6
Health and Support Services	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4
Access to Nutrition	\$7.1	\$6.7	\$6.2	\$5.8	\$5.4
Personal Care	\$24.1	\$22.8	\$21.2	\$19.7	\$18.4
Social Transportation	\$1.1	\$1.0	\$0.9	\$0.7	\$0.6
Home Adaptations	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Adult Residential Care	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Intermediate Care	\$51.8	\$49.9	\$47.1	\$44.5	\$42.3
Total Contributions	\$85.9	\$82.1	\$77.0	\$72.3	\$68.3
Housekeeping (Grants)	\$220.4	\$215.8	\$210.4	\$205.0	\$199.9
Grounds Maintenance (Grants)	\$59.6	\$59.7	\$59.7	\$59.7	\$59.8
Total Grants	\$280.0	\$275.5	\$270.1	\$264.7	\$259.7
Total VIP	\$365.9	\$357.5	\$347.1	\$337.1	\$328.0

To determine the overall cost of the Program, program resource utilization costs are included. These costs are associated with program delivery and include items such as salaries, overhead, employee benefits, and contract administration costs. The current method of apportioning costs to an individual program hinges on an allocation model that looks at the administrative cost for each work unit. An estimation is then made to determine what percentage of the total administration cost should be charged to each program/subprogram.

The Department has recognized that the allocation model used during the period of the evaluation may not provide an accurate representation of administration costs; therefore,

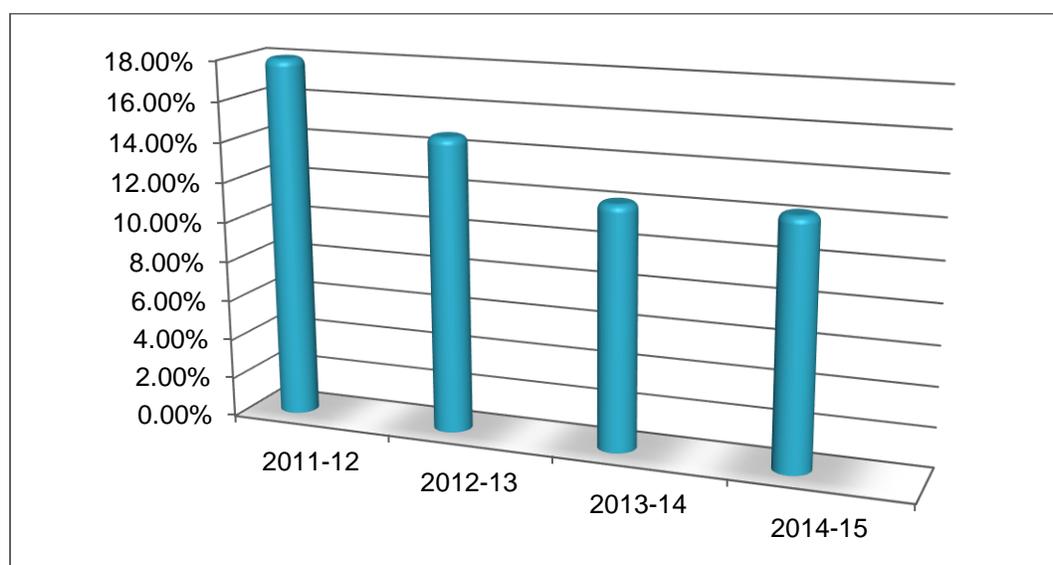
⁴¹ Veterans Affairs Canada *Facts and Figures Book: March 2015 Edition*, p.21.

⁴² Veterans Affairs Canada *Facts and Figures Book: March 2015 Edition*, p.22.

a new model is being introduced for fiscal year 2015-16 (outside the period of the evaluation). The new model will use key staff positions to determine the percentage of administrative costs attributable to each program/subprogram instead of using work units.

Though the allocation model used during the period of the evaluation may not provide an exact depiction of administration costs, the model is useful, when applied consistently, for determining program administrative cost trends. For consistency, the same tool was utilized throughout the five-year period under review. The allocation model for the Program reveals that administrative costs were approximately 12.3% of total program costs for fiscal year 2014-15. Overall costs have trended downward from a high of 18% in 2011-12 (see Figure 2 for more details).⁴³

Figure 2 – Administration Expenses as a Percentage of Total Costs



The evaluation team researched international Veterans programming to compare administrative costs with VAC's Program and to identify opportunities for improvement in delivery. However, it was difficult to make a direct comparison as each organization operates differently.

The evaluation team also reviewed provincial organizations providing home care services to compare administration expenses to VAC's Program. While several provinces were found to have a higher administration-to-program cost ratio than VAC, additional elements were included in provincial administration costs. For example, the administrative costs in the provinces of Ontario and Prince Edward Island include the cost of provincial staff who provide home care service. VAC does not incur

⁴³ Based on information provided by VAC Finance Division. Administrative costs include all costs for the program, including health claims processing contract administration costs, with the exception of those costs associated with intermediate care, which was scoped out of the evaluation.

administration costs associated with service provision since Program services are provided by individuals and private companies hired by Program recipients. Because of the different program models used, the evaluation team could not directly compare costs of similar programs.

The evaluation also looked at duplication within the administration of the Program. A business requirements document outlines the role of VAC and the Processor. A review of the business processes and interviews with VAC staff and Processor staff confirm that roles are clearly understood. No evidence was found by the evaluation team to identify significant areas of redundancy or duplication within the internal administration of the Program.

No issues were identified with the timeliness of Program decisions.

The Program does not have a service standard in place for processing applications. The evaluation team conducted a small sequential sampling⁴⁴ file review to look at the timeliness of decisions and no substantial issues were identified. This finding was further supported by staff and OVO interviews which did not highlight any issues with the timeliness of Program decisions. Improvements to the tracking of Program applications are expected to be implemented through system enhancements in the upcoming fiscal year (2016-17). It is anticipated that this will provide information to inform the Department of the timeliness of decisions.

Program costs must be tracked and reported on in order to accurately measure program efficiencies.

Treasury Board defines efficiency as “...*the extent to which resources are used such that a greater level of output is produced with the same level of input or, a lower level of input is used to produce the same level of output. The level of input and output could be increases or decreases in quantity, quality, or both*”.⁴⁵ At the time of the evaluation, VAC did not have the capability to accurately measure the full cost of its individual outputs, as found in the logic model. This lack of capability was confirmed through consultations with the program area. The lack of available measures makes it difficult to determine the efficiency of Program changes.

For example, the Department is currently developing a new interface for the Program which will allow VAC and the Processor to update electronic records in real time. The objective of this initiative is to increase efficiencies (e.g., there will be a shorter wait time for records to update, less data entry required, fewer chances for human data entry

⁴⁴ Sequential sampling is a non-probability sampling method wherein the researcher picks a single or a group of records in a given time interval, analyzes against criteria and then determines if more records are needed. In this way, the test continues until the researcher is confident in the results.

⁴⁵ Treasury Board of Canada *Policy on Evaluation*, February 2, 2016.

errors, and added tracking capabilities, etc.). Currently, there is no accurate Departmental information available on input costs (time, system, staff, etc.); therefore, efficiencies of changes/modifications cannot be measured.

Program Payment Model: Contribution to Grant

Available data is not sufficient to evaluate the efficiency of the new Program payment model.

Since the last evaluation, the Department has changed the housekeeping and grounds maintenance payment model for the Program from a contribution to a grant. Prior to 2013, benefit recipients were responsible for submitting receipts to the Department for reimbursement of monies spent on service providers. In January 2013, the Department began issuing semi-annual, up-front grants to eligible benefit recipients to compensate for future monies spent on service providers.

A lack of data makes it difficult to determine if the change from a contribution to a grant is efficient. Research has not been conducted by VAC since the implementation of the grant to determine if recipients find the new payment method more efficient. However, secondary information, gathered from staff and file reviews, indicates that there has been no negative effect on the Program.

In the absence of costing data, the team looked at Program operational efficiencies.⁴⁶ As outlined in the Program's logic model, one of the program outputs is a benefit arrangement. The GDT is the main tool used to develop the benefit arrangement. As such, the tool was examined to determine if it was efficient. As a result of the examination, an unintended outcome was identified as shown in Section 4.3.

4.3 Unintended Outcomes

Grant Determination Tool (GDT) used for Calculating Grant Amounts

The GDT requires refinement to allow for a greater range of service hours for Veterans with moderate needs.

The GDT is a worksheet developed to assist with the calculation of grants for housekeeping and grounds maintenance. The tool was designed to ensure consistency, accuracy, and fairness when determining an individual's level of need for services. The GDT is used by both VAC and the Processor:

⁴⁶ Operational efficiencies are largely concerned with how inputs are being used and converted into outputs that support the achievement of intended outcomes.

- VAC staff administer the initial GDT to new recipients with Program eligibility and to recipients who contact VAC indicating there has been a change in their needs. The initial GDT is completed based on information gathered from completed assessment tools such as the Regina Risk Indicator Tool (RRIT)⁴⁷, screenings, and assessments.
- The Processor administers the GDT for recipients when a change in need is identified during a telephone follow-up. The Processor relies solely on the GDT and does not create or use the additional assessment tools which assist VAC staff in the administration of the GDT. If the Processor feels the use of additional tools is warranted, procedures are in place to refer the case to the appropriate VAC Area Office.

The administrator of the GDT asks the recipient a series of questions about their housekeeping and grounds maintenance needs, such as meal preparation, laundry, errands, or snow removal. Based on the recipient's responses, the GDT calculates a level of need score for housekeeping which ranges from 0.5 - 6.5+. This score is then translated into a range of housekeeping hours allotted. The tool also calculates a total grounds maintenance amount for eligible recipients.

The evaluation team reviewed the business processes used by VAC and the Processor for administering the GDT. The evaluation team also interviewed VAC and Processor staff who used the tool, and observed the delivery of the GDT. In addition, the team studied the GDT in a test environment and ran scenarios through the tool to evaluate its consistency and to test any anomalies identified during interviews.

VAC staff who were interviewed noted the GDT adds much-needed consistency to the determination of Program benefits. It also provides assurance that Veterans across the country are receiving equitable treatment. Staff also noted, however, that although the tool adds consistency, it does restrict flexibility in certain instances. For example, it was highlighted during interviews that the GDT scoring scale will not produce a result whereby a recipient can receive between 4 and 14 hours of housekeeping per week. See Figure 3.

⁴⁷ The Regina Risk Indicator Tool (RRIT) is used to identify how "at risk" recipients are of requiring admission to long-term care. Healthcare Management Forum, *Utility of the Regina Risk Indicator Tool Among Case Managed Elderly Clients*, Volume 18, Issue 2, Summer 2005, p.22–26.

Figure 3: Housekeeping Hours Received when GDT is Applied



Possible GDT Results

Slight differences in responses provided on the GDT can cause large differences in the number of housekeeping hours received. See Appendix B - Level of Needs Table for greater detail.

The evaluation team studied this issue further by running scenarios in a GDT test environment. Through these scenarios, the evaluation team pinpointed an issue with the GDT’s level of need scoring for housekeeping. For example, if the Veteran has a level of need score of 5.5 to 6 they will receive 4 hours of housekeeping every week. If the Veteran has a level of need score greater than 6, they will receive 14 hours of housekeeping weekly (see Table 6).

Table 6: Comparison of GDT scores for two Veterans who live in medium sized houses without family support, one needing significant assistance with cleaning and one needing regular assistance with cleaning.

Veteran # 1	Level of Needs Score	Veteran #2	Level of Needs Score
Level of Need:		Level of Need:	
Meals - Significant	2	Meals - Significant	2
Errands - Significant	1	Errands - Significant	1
<i>Cleaning - Significant</i>	2	<i>Cleaning - Regular</i>	1
Laundry Regular	1	Laundry - Regular	1
House Size - Medium	.5	House Size - Medium	.5
Total level of needs score	6.5	Total level of needs score	5.5
Total Hours VIP Housekeeping	14/week	Total Hours VIP Housekeeping	4/week
Total Grant Paid	\$18,031	Total Grant Paid	\$5,137

The two examples above, along with Figure 3, highlight an issue with how the GDT determines housekeeping hours; the tool will not produce results in the 4-14 hour range. A review of GDT assessments completed during the 2015 calendar year showed that

approximately 1,600 recipients may be affected (applicants could receive too much support or too little).

The administration of the GDT is completed through a telephone interview. VAC and Processor staff noted that this method does not allow for a view into the home. For example, over the telephone, a Veteran with dementia may indicate their health as being good, but not mention that they recently fell and have a broken bone or are constantly leaving the stove on.

Research indicates that provincial health authorities also follow the telephone model of assessment. However, in the provincial model, staff who provide services are employed by the province and are in direct contact with the recipient. This allows for observation of the situation and modifications to home care as required.

4.4 Additional Observations

As per the 2012 *VIP Renewed Terms and Conditions*, follow-up activities are conducted annually to ensure continuing entitlement to Program services and compliance with the terms of the benefit arrangement.⁴⁸ Early in 2015, outside the evaluation period, a new follow-up process was implemented that reduces the frequency of direct contact with benefit recipients from once per year to once every three years. This could result in the automatic renewal of benefit arrangements for up to three years without direct contact with the recipient.

Reducing recipient contact increases the risk that recipients' needs may not be identified. In addition, reducing contact increases the risk of overpayments to recipients, especially in cases where recipients change their place of residence.

As this change occurred outside the period of the evaluation, the evaluation team did not investigate further beyond determining that the Department is aware of the issue and is actively monitoring it. Program management has committed to reviewing the results of follow-up phone calls conducted in the first year to determine if more measures should be put in place to ensure the Department is notified quickly should a recipient's needs change. Further, Program management has requested that the Department's processing of notifications received for program recipient address changes be completed sooner in order to minimize delays in benefit increases and reduce the occurrence of overpayments.

⁴⁸ *VIP Renewed Terms and Conditions for Grants and Contributions to Veterans under the Veterans Independence Program (VIP)*, p.9.

5.0 Conclusions and Recommendations

Relevance

In conclusion, there is a continued need for the Program. Although the Program's war service population is declining, there is an emerging and growing need for Program services within the CAF population. Veterans continue to access the Program and the objective of the Program continues to be met, allowing people to remain independent in their homes and communities.

The Program is aligned with the priorities and objectives of the federal government, as well as VAC's mandate, and the strategic outcomes identified by the Department.

Performance

Effectiveness

According to information available, the Department is effective at meeting the intermediate and ultimate outcomes outlined in the program PMP. However, the evaluation team noted that revisions to the Program's immediate outcome performance indicators are required. Once this is completed, the PMP and PMS, and logic model must be modified accordingly.

Economy and Efficiency

The number of recipients in the program and the cost of the Program are both forecasted to decrease.

Administration costs of the Program were compared to similar programs administered internationally and by the provinces. An accurate comparison was not possible as different administration models were used in each program.

At the time of evaluation, VAC did not have the capability to accurately measure the full cost of its individual outputs, as found in the logic model. The lack of available measures makes it difficult to determine the efficiency of Program changes.

To date, data is not sufficient to evaluate the efficiency of the new Program payment model. The GDT requires refinement to allow for a greater range of housekeeping hours for Veterans with moderate needs. Although the tool provides consistency, it does not allow flexibility when conducting assessments.

The evaluation resulted in the following recommendations:

Recommendation 1:

It is recommended that Director General of Service Delivery and Program Management:

- a) **revise the performance indicators to better measure the achievement of the immediate outcome;**
- b) **accurately measure the cost of inputs and outputs for the Program; and**
- c) **report on results.**

Management Response

Management agrees with this recommendation and will work to modify the Program Measurement Strategy and the Performance Measurement Plan.

Management Action Plan

Corrective Action to be Taken	Office of Primary Interest (OPI)	Action Completion Date
<p>The Division will revise the performance indicators for the immediate outcome to better measure and report on the objectives and achievement of the outcome. The VIP PMS, PMP, and logic model will be updated as required to reflect the changes. The Division will also work with Finance, Information Technology, and the Health Claims Processor to provide an accurate measure of the cost of program inputs and outputs and to improve reporting capability.</p> <p>The new Policy on Results establishes new guidelines for measuring performance; VIP Program Management will begin development of these products once these new guidelines are known.</p>	<p>Service Delivery and Program Management</p>	<p>September 2017</p>

Recommendation 2:

It is recommended that the Director General of Service Delivery and Program Management refine the tool used to determine housekeeping hours to ensure benefit recipients receive adequate support.

Management Response

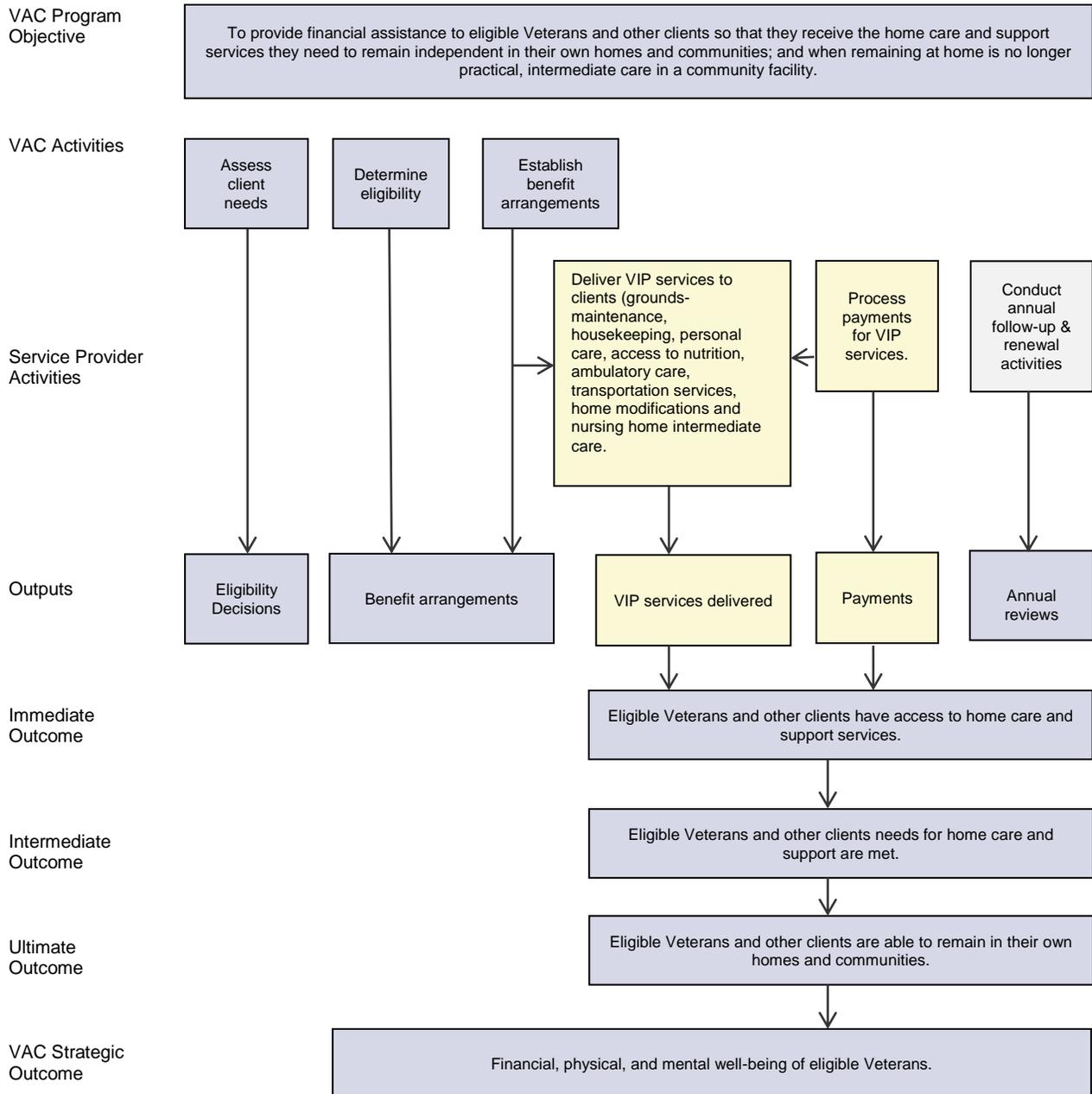
Management agrees with this recommendation and will work to refine the tool and make modifications where required.

Management Action Plan

Corrective Action to be Taken	Office of Primary Interest (OPI)	Action Completion Date
<p>The Grant Determination Tool (GDT) was developed based on a comprehensive review completed by VAC's Research Directorate. This review identified that once an individual's need for housekeeping service exceeded 4 hours per week, daily housekeeping of 14 hours per week was typically required and, therefore, the GDT's method of calculating the hours of need was designed to reflect these results.</p> <p>Program Management will work with the VAC Research Directorate to ensure that the GDT appropriately reflects the needs of recipients. A review will be conducted to validate the methodology used to determine the time required to address housekeeping needs. Any shortcomings identified during the review will be addressed and the tool will be adjusted, as required.</p>	Service Delivery and Program Management	July 2017

APPENDIX A: Veterans Independence Program Logic Model

(Updated 2013-10-04)



Appendix B: Level of Needs Table - Hours of Service for the Veterans Independence Program Grant Determination Tool

Level of Need Score	Level of Need Category	Number of Housekeeping Hours	Service Delivery Actions
0.5 - 1.5	Minimal assistance	1 hr every week	<ul style="list-style-type: none"> • GDT user calculates number of hours with rate the participant is currently paying or with standard rate provided for geographic area • GDT user can adjudicate /action any eligible benefits within their delegated authority
2.0 – 3.0	Routine assistance	3 hrs every two weeks	<ul style="list-style-type: none"> • GDT user calculates number of hours with rate the participant is currently paying or with standard rate provided for geographic area • GDT user can adjudicate /action any eligible benefits within their delegated authority
3.5 – 4.0	Regular Assistance	2 hrs every week	<ul style="list-style-type: none"> • GDT user calculates number of hours with rate the participant is currently paying or with standard rate provided for geographic area • GDT user can adjudicate /action any eligible benefits within their delegated authority
4.5 – 5.0	Regular assistance with some significant need	3 hrs every week	<ul style="list-style-type: none"> • GDT user calculates number of hours with rate the participant is currently paying or with standard rate provided for geographic area • GDT user can adjudicate /action any eligible benefits within their delegated authority.
5.5 – 6.0	Significant need	4 hrs every week	<ul style="list-style-type: none"> • GDT user calculates number of hours with rate the participant is currently paying or with standard rate provided for geographic area • GDT user can adjudicate/action any eligible benefits within their delegated authority • Based on GDT score no referral to the District is required
Greater than 6	Maximum HK assistance	2 hours daily (14 hours per week)	<ul style="list-style-type: none"> • GDT user calculates number of hours with rate the participant is currently paying or with standard rate provided for geographic area • If level of need is an amount that exceeds maximum rates GDT user will refer to the District for follow up and consideration for approval