

February 11, 2021

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Dear Mssrs. Dicerni and Schachow

We are writing to you on behalf of the Canadian Assistive Devices Association (CADA) to request your assistance in providing answers for our members to some questions raised by the Auditor General's follow up report to its 2018 Annual Report (Assistive Devices Program – Follow-Up on VFM Section 3.01, 2018 Annual Report).

Insufficient Oversight of Vendors... (page 21)

CADA strongly supports effective and transparent oversight of ADP vendors and we share the view that audits are an important element of this oversight. Therefore, it's critical that the weaknesses in the current audit process are rectified.

The Issues

1. The current audit process is not transparent. Vendors have no certainty about the additional information they may be required to produce apart from the basic elements of the ADP application and device transaction. In fact, in some cases the information requested does not exist (e.g. serial numbers for some device components/accessories are non-existent)
2. There is no recourse for vendors to an arms-length appeals process. If they dispute the audit results their only option is to raise their concerns with the original auditor.

The Solution

1. Provide vendors with a copy of the *Standard Operating Procedure* for reviewing vendors and a comprehensive checklist advising vendors what they are expected to have, and what they will need to provide in the event of an audit.
 - On page 22 the report notes that "...in November 2019, the Ministry developed a *Standard Operating Procedure for reviewing vendors registered with the Program*. The *Standard Operating Procedure* describes how the Program will conduct audits and compliance reviews of registered vendors..."

2. Ensure auditors conform their audit process to the *Standard Operating Procedure* (and the checklist provided).
3. Provide vendors with an arms-length appeals process (e.g. the Canada Revenue Agency appeals process allows those disputing audit results to make their case to a separate division within the CRA)

Device Prices...(page 25)

CADA strongly supports regular pricing reviews. We are puzzled however, that the pricing reviews to date have resulted only in price reductions (i.e. adult wheeled walkers and PAP systems). This is particularly surprising given that prices for assistive devices were previously reduced in 2015 and costs for vendors have increased since then.

The cost of getting a properly configured device into the hands of the client exceeds the cost of the device itself and in many cases these extra costs cannot be accommodated in the margin allowed by ADP.

We have calculated that equipment assembly, assessment follow-up, back and forth with the therapist to ensure client needs are met, and other client services average \$900-\$1200 in additional vendor spend to the cost of the device.

The Issues

1. There is no clear direction from MoH/ADP as to what ancillary services can be charged directly to the client and in many cases the available margin cannot support the cost of these services.
2. CADA is the only association representing Ontario ADP vendors, and *our input is not sought in pricing reviews*. We have highly relevant information from a wide range of vendors that is important input to any pricing review.

The Solution

1. Provide ADP vendors with clear direction on what is acceptable in charging clients directly for ancillary services.
2. Include CADA input in all pricing reviews before making a decision. CADA's broad membership base and research will add considerable clarity above and beyond anecdotal conversations with individual vendors.

New Information System...(page 27)

CADA is supportive of vendors providing serial numbers for equipment, and typically compliance is not an issue. However, there are components for which serial numbers are not provided by the manufacturers, and we know of instances in which ADP audits have demanded serial numbers that do not exist.

The Issues

1. It is unreasonable that vendors are being compelled to provide non-existent information.

The Solution

1. Roll back the requirement to provide serial numbers for those components that do not have them.
2. Advise ADP auditors of the components for which serial numbers exist.
3. Going forward, require manufacturers of all ADP-funded components to provide serial numbers.

Measurement and Reporting of Program Performance...(page 30)

CADA has expressed our congratulations to ADP for the esubmissions portal and noted that this is a huge step forward in program performance and efficiency.

One element that needs attention is the level of understanding on the part of authorizers as to what and how it is acceptable to transmit electronically. Some authorizers are fully supportive and up to speed on secure digital communication and others are adamant in their continued resistance to use digital communication.

The Issue

1. There is a diverse patchwork of operating processes on the part of authorizers and this is reducing the efficiency of the esubmissions process.
2. Authorizers lack clarity on acceptable practices for conveying client information digitally.

The Solution

1. Provide clarity from ADP to authorizers as to what and how they may transmit information to vendors. CADA would be pleased to provide suggestions on this process.

We look forward to your response.

Sincerely,



Jeff Preston,
President
Canadian Assistive Devices Association



Erin Roberts
Executive Director
Canadian Assistive Devices Association