

PROGRAMS ADRIFT

Complaints to the Ombudsman

Reveal Systemic Issues

Alberta Adult/Child Health
Benefit Programs

Own Motion Investigation
Summary Report



JULY 17, 2024



The mandate for the Alberta Ombudsman extends across the province and our work takes place on traditional Indigenous lands. We respectfully acknowledge the traditional and ancestral territory of the many First Peoples that call this land home. We also acknowledge the many First Nations, Métis and Inuit who have traveled, lived on, and cared for these lands for generations. We are committed to listening and learning as we journey together towards meaningful reconciliation.



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OMBUDSMAN'S MESSAGE

My office investigates complaints of unfair treatment of Albertans by government authorities. It is always particularly concerning when the complaints come from Albertans who are vulnerable or rely on social programs for assistance. Several complaints regarding the Alberta Adult Health Benefit and Alberta Child Health Benefit programs resulted in my office conducting an Own Motion Investigation into systemic problems within these programs managed by Seniors, Community and Social Services (SCSS) and Alberta Health.

My investigators interviewed Albertans who were facing financial hardship exacerbated by expenses associated with required health care needs including essential dental care, eye examinations, prescription drugs and diabetic supplies. Alberta has generous programs to help those needing assistance with medical expenses, however, my investigation found many hurdles preventing those in need from accessing benefits offered by these programs.

As an Officer of Alberta's Legislative Assembly, I operate independently from government. Section 12(2) of the *Ombudsman Act* provides me the authority to investigate on my own motion should questions arise about the administrative fairness of a program.



The investigation identified several systemic problems including issues with the application process, how the programs communicated with applicants and inefficiencies related to antiquated IT infrastructure. While the departments responsible for these programs generally cooperated with my investigators, the investigation was delayed due to challenges encountered while trying to obtain information from SCSS. It is important to note that many of the challenges identified were not related to the efforts of front-line staff, who were accommodating and offered valuable insights to my investigators.

My final report makes 28 recommendations and five observations to assist these essential programs in better serving Albertans in need. SCSS and Alberta Health were provided with my recommendations and observations for their comment prior to the release of my final report. The Deputy Minister of SCSS responded, advising us the ministry will consider the report's findings and recommendations to develop changes to operational processes. However, no definitive commitments were made as to which recommendations would be implemented. The Deputy Minister of Health advised its ministry will consider the recommendations that relate to health policy and further updates will be provided in December 2024, specifically related to updates to policy, training manuals and public websites. We have included copies of their responses in this report.

A handwritten signature in black ink, appearing to be 'KB' with a stylized flourish underneath.

Kevin Brezinski
Alberta Ombudsman

I appreciate the time and effort that both SCSS and Health ultimately put into cooperating with my office's investigation and acknowledge their commitment to providing much needed assistance to those in need. I am encouraged to see the programs are now accepting applications by email which previously they were not. My office will continue to monitor the programs and the departments' progress in implementing my recommendations and may report our findings in the future. I would like to thank my staff for their perseverance and dedication through a complex investigation.

Finally, and most importantly, I would like to acknowledge the frustrated Albertans who took the time to bring their concerns to my office. Without their assistance, the problems and issues identified within these programs may never have come to light.

RESPONSE OF THE DEPUTY MINISTER SENIORS, COMMUNITY AND SOCIAL SERVICES



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AR 36589

Kevin Brezinski
Alberta Ombudsman
700, 9925 - 109 Street NW
Edmonton, AB T5K 2J8

JUN 19 2024

Dear Kevin Brezinski:

Thank you for the draft report on the Ombudsman's Own Motion investigation your office provided on June 7, 2024, regarding recommendations and observations related to the Alberta Adult Health Benefit and Adult Child Health Benefit programs.

I appreciate the efforts you and your organization have invested in reviewing these programs to enhance administrative fairness. The Ministries of Seniors, Community and Social Services and Health both value continuous improvement and, as you note in your letter, both departments have cooperated extensively with your office on this file.

The ministry will consider the report's findings and recommendations and is reviewing the investigation report to develop changes to operational processes. Our colleagues in Health are responsible for policy changes related to the report's recommendations.

Sincerely,

A handwritten signature in blue ink that reads "Cynthia Farmer". The signature is fluid and cursive, written in a professional style.

Cynthia Farmer
Deputy Minister

cc: Andre Tremblay
Deputy Minister, Health

RESPONSE OF THE DEPUTY MINISTER ALBERTA HEALTH



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JUL 09 2024

AR 222741

Kevin Brezinski
Alberta Ombudsman
700, 9925 - 109 Street NW
Edmonton, AB T5K 2J8

Dear Kevin Brezinski:

Thank you for the draft report on the Own Motion – Alberta Adult Health Benefit (AAHB) and Alberta Child Health Benefit (ACHB) Investigation (#22-00242) your office provided on June 7, 2024, regarding recommendations and observations related to these programs.

Alberta Health is reviewing the draft report and will consider the recommendations that relate to health policy. Work to address some of the report recommendations is planned, such as updates to the policy, training manuals, and public websites.

Further updates on the progress of this work will be provided in December 2024.

Again, thank you for the work on this file. Alberta Health is committed to the continual improvement of these programs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andre Tremblay".

Andre Tremblay
Deputy Minister

cc: Cynthia Farmer, Deputy Minister, Seniors, Community and Social Services

SUMMARY

On July 15, 2021, we received a complaint from Ahmed¹ about the Alberta Adult Health Benefit program. He had applied for benefits for his family three times (October 2020, April 2021, and May 2021). But he had not received a decision on any of his applications. Meanwhile, he, his wife, and his two children all had serious health problems. They had over \$5,500 in ongoing prescription costs each year. And without help, they could not afford to live.

When he phoned the Health Benefit Contact Centre at the end of June 2021, a supervisor said they had sent him a letter requesting more information. Ahmed told the supervisor he had not received any mail. The supervisor told him to take the problem up with Canada Post. The supervisor then explained the program was waiting for Ahmed to send in proof of ongoing medical expenses. Ahmed told the supervisor he had submitted the required medical expenses three times, by fax, as the program requested. The supervisor told him to send them in again. Instead, Ahmed wrote to us.

We contacted the program to try to resolve his complaint. The program confirmed they had not received the necessary medical expenses. But they promised that if Ahmed sent them in again, the program would quickly decide the case. The program gave us an email he could use to re-submit the medical expenses. He emailed them on July 29, 2021.

The program approved Ahmed for benefits on July 29, 2021, but it did not tell him. By August 10, 2021, Ahmed contacted us again. He was frantic after hearing nothing from the program. We again contacted the program and asked if someone would call Ahmed to tell him the good news. They agreed to.

¹ Name has been changed throughout this report to protect the individuals' identity.

Ahmed was grateful for our help. He had no choice but to borrow money from his family in Egypt to help pay for an eye exam for his son, who has a visual impairment, and to buy diabetic supplies.

We had several concerns about this case:

- the **program’s communication** with people is problematic: it does not keep a record of correspondence sent to clients, so it cannot be sure it actually sent a letter.
- the program lacks a **clear complaint process**.
- the **program’s processes** to handle applications, manage files, and keep records are all suspect: up until recently the only way to submit information was by fax or regular mail. The fax route is not reliable, as Ahmed had two fax confirmation sheets, yet the program said it did not receive his faxes.

When we explained to Ahmed that two ministries—Alberta Health and Seniors, Community and Social Services (SCSS) ran the program, he shared an Egyptian saying:

“ A BOAT WITH TWO CAPTAINS WILL SINK. ”



Two programs

Alberta has two programs that provide health benefits to low-income adults and children:

- Alberta Adult Health Benefit program (the **family program**); and its sister program
- Alberta Child Health Benefit program (the **child program**).

Benefits include dental care, eye exams and glasses, prescription drugs, ambulance services, essential over-the-counter medications, and diabetic supplies.

The programs are the most generous of their type in Canada—they cover a wider range of benefits than other similar programs in Canada (most of the others pay only prescription drugs).

Two ministries

Alberta Health and Seniors, Community and Social Services (SCSS) run the programs.

Programs investigated due to systemic problems

We investigated the programs after learning of systemic problems with them. Every year, they fail to help many of the people they are supposed to serve because of technical glitches. For example, in August 2022, 7,394 files were accidentally closed for several days by computer glitches. The programs use old technology that does not work properly. There is no online version of the programs. People cannot email the programs. The programs suffer from a lack accountability for effective operations. Because the programs suffer from a lack of proper attention, investment, and oversight, they do not:

- process applications fairly (misplaced applications)
- communicate with people fairly (they are not told of their application status or appeal right)
- respond to service complaints from people fairly

Front-line staff struggle to overcome these problems without the resources to do so.

Do the programs meet fairness guidelines?

We assessed whether the programs follow the principles of procedural fairness and natural justice in processing applications, communicating with people, and resolving complaints—see [Scope](#) in the full investigation report for details.

Do the systemic problems matter?

Currently, about 101,000 children and adults are receiving benefits under the programs. Other people who need help from the programs cannot get it. We received complaints about delays in issuing eligibility decisions, incorrect public information, poor customer service, and lost applications and other documentation.

Our findings and recommendations

We made 28 findings, resulting in 28 recommendations and five observations to the ministries to improve attention to, investment in, and oversight of, the programs.

CONTEXT

a. The family program

The family program supports people with low income and recurring prescription drugs costs. Families qualify for the program if their combined household income, less the ongoing cost of prescription drugs and diabetic supplies, is equal to or less than the qualifying income for their family type.

For example, a family of two adults and two children with income about \$36,500 a year after deducting yearly prescription expenses of \$500 would be in the program if they meet the other requirements: at least 18 years old, living in Alberta, legally in Canada, and receiving no other benefits.

The family program pays for dental care, eye exams and glasses, prescription drugs, ambulance services, essential over-the-counter medications, and diabetic supplies. The program pays the service provider, such as a dentist or pharmacist, not the family – see [Qualifying Income chart](#) for details.

b. The child program

Supports children—but not adults—in families with low-income. It has similar requirements as the family program, except children must be under 18 years old and children do not need to have any costs for prescription drugs or diabetic supplies. The child program also pays for dental and optician services. For example, in a family of two adults and two children with a combined income of \$36,500 and no recurring prescription costs, the children would be in the child program.

CASE STUDY- IT SYSTEM GAPS

We learned the programs' IT system cannot generate collective letters. So, if there are several pieces of information missing from an application, such as prescription drug costs, a personal healthcare number, and a social insurance number, assessors must create and send individual letters to the applicant for each missing item. Because the programs communicate with people primarily through written mail and faxes, the likelihood of correspondence not being received by a person or the program, is high.

The result is that people may have to submit the same information several times. Or their application may be denied for insufficient information, despite having provided it.

c. How the application program works

People had to fill out a paper application form and then mail or fax it to the program. There were no online or email options.²

Program staff review applications and contact people if they have any questions or need more information.

The programs use two computer systems: an old legacy system (the **main system**, about 30 years old) and a newer program (the **new system**). Staff input application data to the new system. It then sends data to the main system. The main system automatically approves or denies applications. If it approves an application, the person receives a package of material.



If the main system denies an application, it automatically sends a letter saying the application is denied. It usually says their income is too high and asks them to send more information so they can be reassessed by an actual person (denials often result from people not including all their prescription costs for everyone in their family). The letter prompts people to phone, not write, for an explanation.

If a person's reassessment decision confirms the original decision, they receive a letter explaining that they can appeal.

d. How the programs communicate with people

Both programs rely on regular mail to communicate with both clients and applicants. They use template letters for all situations. The main system automatically sends out many letters. Staff are not supposed to email clients, except as a last resort if mail or fax are not available.

Clients with questions can phone a general call centre for health benefits. If that centre can't answer the client, it transfers them to a program assessor who has program expertise. While clients can call an assessor to learn about their application or benefits, assessors rarely phone clients. Most calls are recorded.

² As of the publication of this report, applications are now accepted via email.

e. How the programs handle complaints

The programs use an ad hoc approach to handle complaints because there is no relevant policy. Callers can ask to speak with an assessor's supervisor, but the programs expect assessors to solve most problems.

If a supervisor phones a person, they are supposed to log the call, but logging is not consistent or accurate.

Supervisors are supposed to review recordings of assessors' calls as random checks (three times a month), but they don't have time to do so.

f. How the programs use technology

The programs use old, ineffective information technology. So predictably, they suffer from several glitches each year around renewal time. And they suffer from severe limits on what they can do. For example, staff at the main call centre can't change information in the main system, like an address change. They can only make note of it, causing administrative nightmares. Additionally, the programs don't keep copies of letters they send, leading to further administrative issues. Assessors can't transfer calls to other assessors or supervisors.

CASE STUDY - TRYING TO PUT CLIENTS FIRST



When a client requests a reassessment, the program can take a closer look at their situation. Assessors try to help everyone who is eligible to get benefits.

"I've had mothers sobbing on the phone many, many times asking how they can get on the program. My goal is always to try and get the applicant or client onto the benefits. I'm here to help the client; I'm not here to hinder the client. I try my hardest to get them into an approval. If I can't approve the application, then I tell them of their right to appeal and I will help them with that. It's their right as Albertans." – Assessor

SUMMARIZED FINDINGS AND RECOMMENDATIONS

At the conclusion of an investigation, the Ombudsman may make recommendations and/or observations. If an issue of administrative unfairness is identified, the Ombudsman usually makes recommendations to remedy that issue. Sometimes an investigation uncovers the potential for unfairness or identifies areas of concern that do not meet the threshold of unfairness. In these latter cases, the Ombudsman may make observations. The Ombudsman expects recommendations to be followed and monitors an authority's compliance with them since they are meant to remedy a specific issue identified in the investigation. Observations are monitored differently since they are meant to provide assistance to authorities to prevent potential unfairness.

a. Program application processing unfair

Summarized finding	Summarized corresponding recommendation
<p>The programs do not explain:</p> <ul style="list-style-type: none"> • why benefits are denied. • the reassessment process. • the appeal process. 	<p>Ensure the programs:</p> <ul style="list-style-type: none"> • give reasons for denying benefits. • explain the reassessment process. • explain the appeal process.
<p>The programs do not reimburse people, contrary to policy that allows it in emergencies or with prior approval.</p>	<p>Follow your own reimbursement policy or change the policy to match your practice.</p>

b. Program communication with applicants and clients unfair

<p>Template letters do not consistently follow administrative fairness guidelines.</p>	<p>Improve all template letters to meet administrative fairness guidelines, including:</p> <ul style="list-style-type: none"> • giving notice of a person's right to appeal. • telling people the next steps they must take to fix a problem or answer a question, within a reasonable deadline. • informing clients that their benefits may end if they do not notify the program when their situation changes (for example, divorce or address change).
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<p>The programs inform people of their appeal rights in only one circumstance (when benefits are denied after a reassessment).</p>	<p>Give clients and applicants written notice of their right to appeal in all cases when benefits are denied or ended.</p>
<p>The family program does not explain the main eligibility requirement—any ongoing costs for prescription drugs and diabetic supplies.</p>	<p>Update the family program application form, website, and template letters to:</p> <ul style="list-style-type: none"> • clarify all eligibility requirements—especially the main one. • explain that ongoing costs are deducted from household income to see if income is below the program threshold.
<p>Applicants and clients have to phone the programs to learn their status.</p>	<p>Until an online program is running, tell people in writing:</p> <ul style="list-style-type: none"> • where their application stands. • everything they need to do. • reasons for decisions.
<p>Program approval letters don't allow clients to understand what they must do.</p>	<p>Ensure the program approval letter explains:</p> <ul style="list-style-type: none"> • when benefits start. • what clients must do to stay in the program. • that benefits may stop if clients don't report changes.
<p>Program policies do not reflect current practice on how the programs operate, such as timing of notices, prior approvals, reimbursements, retroactive coverage, and reassessments.</p>	<p>Ensure that policies and practices match. So change one or the other.</p>

c. Program response to complaints unfair

<p>There are no rules guiding how assessors or supervisors should handle public complaints.</p>	<p>Establish a policy and procedure for responding to public complaints and escalating cases.</p>
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d. Program technology ineffective

<p>Program technology is obsolete and ineffective. For example:</p> <ul style="list-style-type: none"> • up until recently, people could apply only by fax or regular mail. • program updates and glitches regularly drop clients from the programs. 	<p>Update program technology:</p> <ul style="list-style-type: none"> • review options for an online system for people to access the program and see details of their benefits. • ensure clients have continuous coverage without any gaps caused by technical glitches.
<p>Staff at the Health Benefit Contact Centre cannot directly update client files when people call to report a change.</p>	<p>Require assessors to note in the client file all their phone calls with clients and applicants.</p>

e. Accountability inadequate

<p>The programs do not issue decisions on incomplete applications.</p>	<p>Monitor incomplete applications, set reasonable deadlines, and then issue a decision and inform the applicant of the decision.</p>
<p>Outgoing mail</p> <ul style="list-style-type: none"> • Letters are the only way the programs communicate. • Some letters are printed but not mailed if they have an address error. • There is no process to ensure that letters are mailed. <p>Returned mail</p> <ul style="list-style-type: none"> • There is no process to handle returned mail. And mail to clients and applicants is often returned. • When mail is returned, some assessors cut people off benefits without trying to contact them. 	<p>Develop a policy and procedure to monitor outgoing mail and handle returned mail.</p>
<p>The programs lack effective training for assessors.</p>	<p>Develop and deliver more comprehensive, standardized training for assessors to ensure consistent processing.</p>

SCOPE

To start our investigation, we asked three questions about the family program:

- are the procedures for processing applications for the family program fair?
- does the family program communicate with applicants and clients in an administratively fair manner?
- does the family program have an administratively fair process for addressing service complaints raised by clients and applicants of the program?

We eventually expanded the investigation to include the child program.

a. What we did

Interviews—we interviewed over 24 staff (from front-line staff to senior management) from the two ministries plus Technology and Innovation in 11 months.

Site visits—to meet staff and learn about the programs, we visited the programs' offices between July 2022 and June 2023.

File reviews—we reviewed hundreds of files to learn what frontline staff and management knew and what information went up the chain to the deputy minister level.

b. When we did it

February 2022 to September 2023.



c. Why we did it

It looked like the programs were plagued with systemic problems. We kept getting complaints from people in need who were told their applications had been lost. They couldn't get anywhere with the programs: no information, no decisions, no responses. The programs would tell them to check with Canada Post for missing documents.

People were scrambling trying to find fax machines. And then their faxes would be lost. It seemed like the programs were neglected and forgotten. Management didn't know how the programs worked. Only frontline staff did.

The programs were giving out the wrong information, for example, about eligibility of items like inhalers.



Given the importance of these programs to thousands of Albertans, the potential remains for new and existing clients to struggle accessing the health benefits they need. The departments play an essential role in coming together to implement the Ombudsman's recommendations and improve delivery of the programs' services.



If you have any questions about the Alberta Ombudsman, or wish to file a complaint with us, please get in touch.

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