

## CADA ADP UPDATE

### **Approvals Process**

The Assistive Devices Program (ADP) remains an important funder of assistive devices supplied to the residents of Ontario. This program is significant to our to both suppliers and dealers, in that it also limits the impact of downturns in our economy on our industry. CADA continues to foster strong relationships with ADP on behalf of its members.

We are however, also vulnerable to the fluctuations within the ADP program, given the large percentage of the products supplied via our network are funded by this program. In the last year we have experienced this vulnerability, as ADP developed a significant backlog. The backlog of approvals exceeded the ministry's internal standard of 6 to 8 weeks. The impact on dealers and suppliers was significant, causing many dealers to dip in to their personal funds to cash flow their respective businesses. Suppliers, although one step removed from the payment process, were seeing their receivables run to dangerous levels and DSO's (Days Sales Outstanding).

It appears that ADP has reduced this backlog by over 50% in the last 3 months. They have done this by adding additional resources and by implementing additional efficient methods for some categories. During our meetings, ADP has been sympathetic to the effects of this backlog. We have monitored this back log over the last 11 months and have continued to meet with ADP during this time. Although the overall situation is improving, it will be months till the total impact is minimized on our respective businesses.

Please note that one of the major controllable reasons for delays in application approval continues to be incomplete forms. Dealers are encouraged to obtain a copy of the application where possible, and review it immediately, to ensure there are no errors or omissions on the application.

### **Product Listing Process**

The significant time to have a product listed with ADP is still a major hurdle to manufacturers.

ADP has provided manufacturers with the opportunity to submit other independent testing data to the program as part of an updated device listing procedure application. The Prior Testing Disclosure Form which is part of this process, is used by the manufacturer to identify prior testing performed by other independent agencies, which mean possibly fewer tests as part of ADP's process. ADP retains the right to accept or reject the testing as presented. The net result is a shorter approval process.

ADP has also agreed to consider applying a similar process to the respiratory side of the listing process. At this point we are gathering information on other third party testing agencies and process, to submit to ADP for consideration. Thanks to Glenna Labelle for her work on this.

CADA continues to work with ADP to implement a more efficient approach to the overall testing process.