

Funding in LTC in Ontario

Champlain Regional Family Council Network
April 13th, 2019

*Together...*we improve the well-being
of the people we serve



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Veterans' Health Centre

Aim



Broadly introduce you to Long-Term Care Funding in Ontario



Profile of Long-Term Care Residents

- 86% of residents need extensive help with daily activities (1/3 highly dependent)
- 90% have some form of cognitive impairment (1/3 severely impaired)
- 46% exhibit some level of aggressive behaviour
- 40% have a mood disorder such as anxiety, depression
- 40% need monitoring for an acute medical condition



Source: This is Long-Term Care 2019 OLTC



Long-Term Care in Champlain

Long-Term Care in Champlain - 2018

Number of Long-Term Care Homes	60
Number of Beds	7,599
Basic Beds	3,419
Preferred Beds	4,019
MOHLTC Funding	\$363.6M
Occupancy	98.3%
Average Home Size	127 beds
Long-Stay Waitlist	~3,500
Time to Placement (Days) (Sept '18)	~200










- Mix of privately owned; not-for profit/charitable and municipal homes.
- The Long-Term Care Home Act, its regulations, and MOHLTC policy apply equally to all homes.



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Long-Term Care is Often Co-located Within a Broader Continuum of Services

								
Long Term Care	Convalescent Care	General Respite Care	Guest House	Day Program	Assisted Living Services for High-Risk Seniors	Commercial Health Services	Seniors Housing	Commercial Activities
250 Vets, 160 Community	34 beds	6 Beds	12 Beds	75 Spaces	90 Spaces	Physio, Dental, Audio Clinics, Etc.	139 Apartments, 1200 Solar Panels	Cafeteria, Pub, Barber, Hair Dresser, Etc.
Publicly Funded						Ancillary Operations		

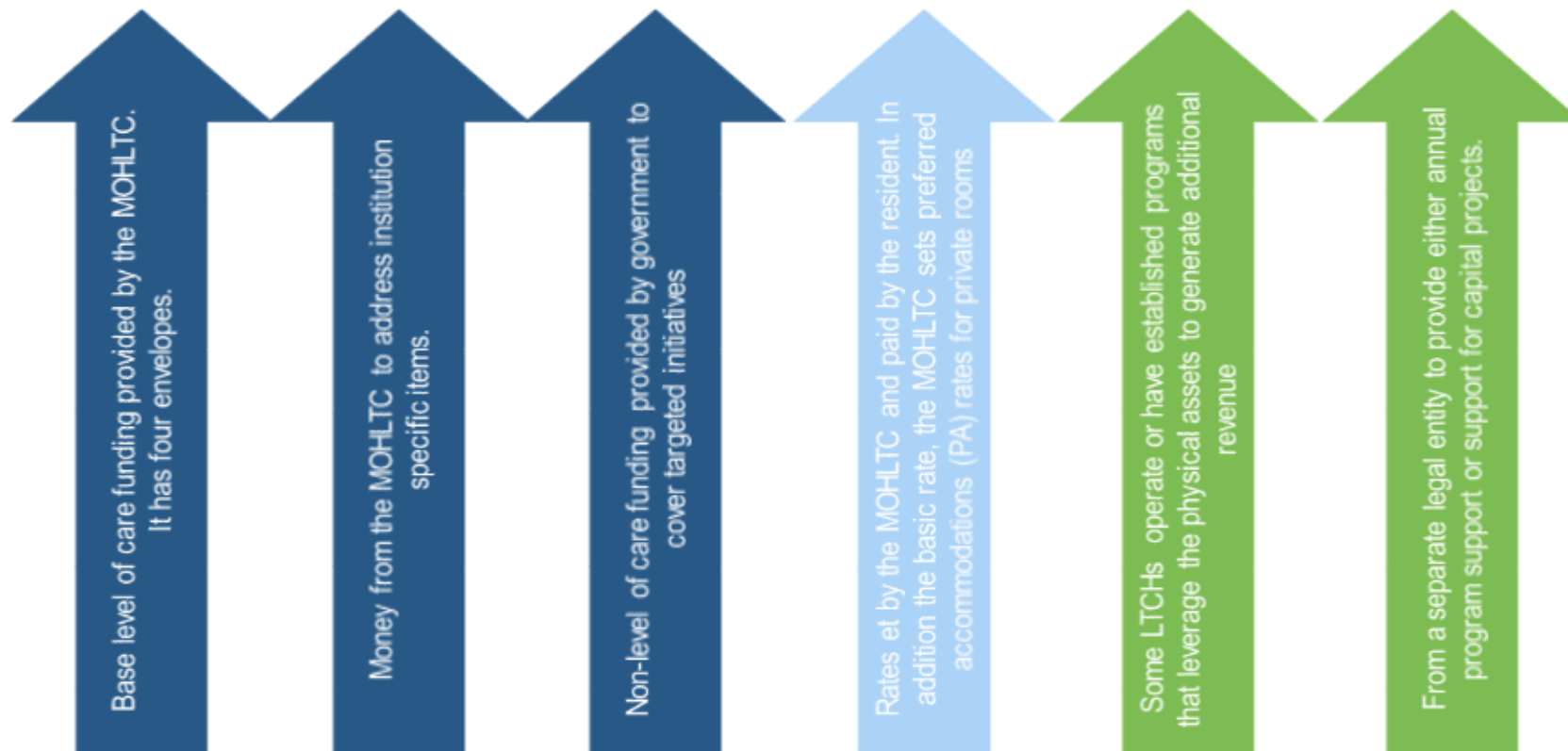


How Does the Funding Work?....



Funding Sources

Per Diem Funding	Unique Funding	Supplemental Funding	Resident Co-payments	Ancillary Activities	Donations
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**Per Diem and Supplementary funding may have built in claw back provisions
Residents can receive subsidies from the MOHLTC**



Level of Care Funding (Envelopes)



Per Diem \$100.91

Medical Director, nursing & care staff, medical equipment & supplies, incontinence supplies.

This envelope is adjusted by the Case Mix Index (CMI) for certain
8 bed types.



Per Diem \$9.79

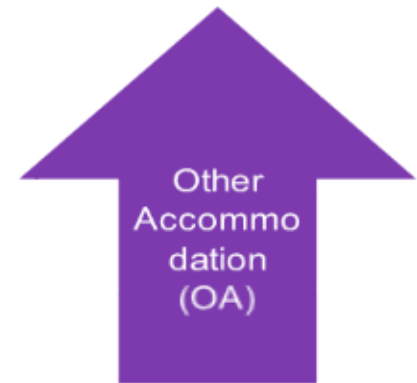
Program, recreation, therapy and allied health staff, equipment & supplies.



Per Diem \$9.54

Raw food costs, including approved nutritional supplements.

Excludes cost of food preparation



Per Diem \$56.52

Food services, laundry, housekeeping, indoor & outdoor furnishings, maintenance and utility costs, administration costs.



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A Few Notes

- Current level of care per-diem is \$176.70
 - Rates are reset annually by the MOHLTC – 1.7% for 19/20
- Occupancy below 97% may trigger a claw-back
- Homes may receive supplementary funding
 - Each with distinct terms and conditions
 - e.g. Behavioural Support funding; Physiotherapy funding; Accreditation; Physician on-call, etc.
- Some bed types receive an additional per diem subsidy
 - e.g. Convalescent Care



A Few Notes

- Funding for nursing and personal care, programs and support and raw food is protected.
- Surplus funding in these areas may only be reallocated within these services.
- Any unspent funds in these areas must be returned to the MOHLTC at year end.



Residents Pay a Portion of Long-Term Care

Type of Accommodation	Daily Co-Pay
Basic Long Stay (at least 60% of beds)	\$60.78
Semi-Private Long Stay*	\$69.11 - \$73.27
Private Long Stay*	\$79.52 - \$86.82
Short Stay (Respite)	\$39.34

*Varies depending on a home's structural class and date of move-in

- Residents pay for a portion of their “room and board” to the long-term care home.
- Gov't provides subsidies for those unable to pay.
- Surplus resident fees may be retained by the home after expenses are paid.

Case Mix Index and its Impact on Funding

- CMI is a value measuring the average care requirements for residents in the long-term care home.
- It is derived from the Resident Assessment Instrument Minimum Data Set (RAI MDS), which is completed quarterly for each resident.
 - Documentation is very important to accurately capture residents' needs.
 - Documentation has a significant impact on funding.
- The standard, base CMI is 1.0.
 - \uparrow CMI = \uparrow care needs



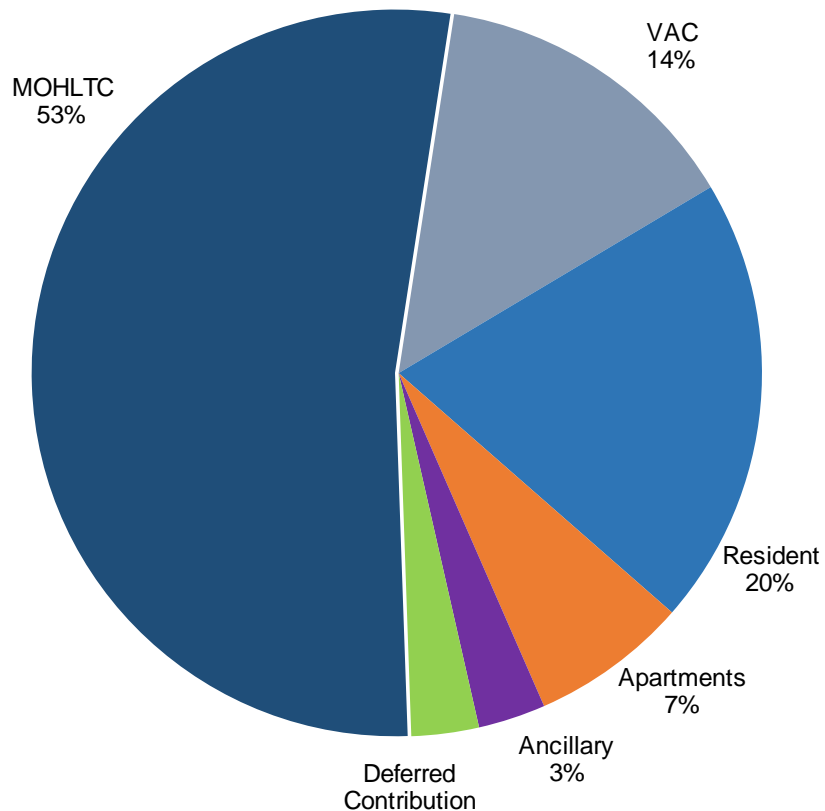
Case Mix Index and its Impact on Funding

- Nursing and personal care funding for long-stay long-term care beds is adjusted by the long-term care home's CMI value. For example
 - Home CMI 1.0 * NPC per diem \$100.91 = \$100.91
 - Home CMI 0.97 * NPC per diem \$100.91 = \$97.88
 - Home CMI 1.03 * NPC per diem \$100.91 = \$103.94
- The MOHLTC adjusts CMI values annually so that the average CMI across all homes in Ontario = 1.0.
 - The reported CMI average is always above 1.0.
 - Adjusted CMIs are always lower than reported CMIs

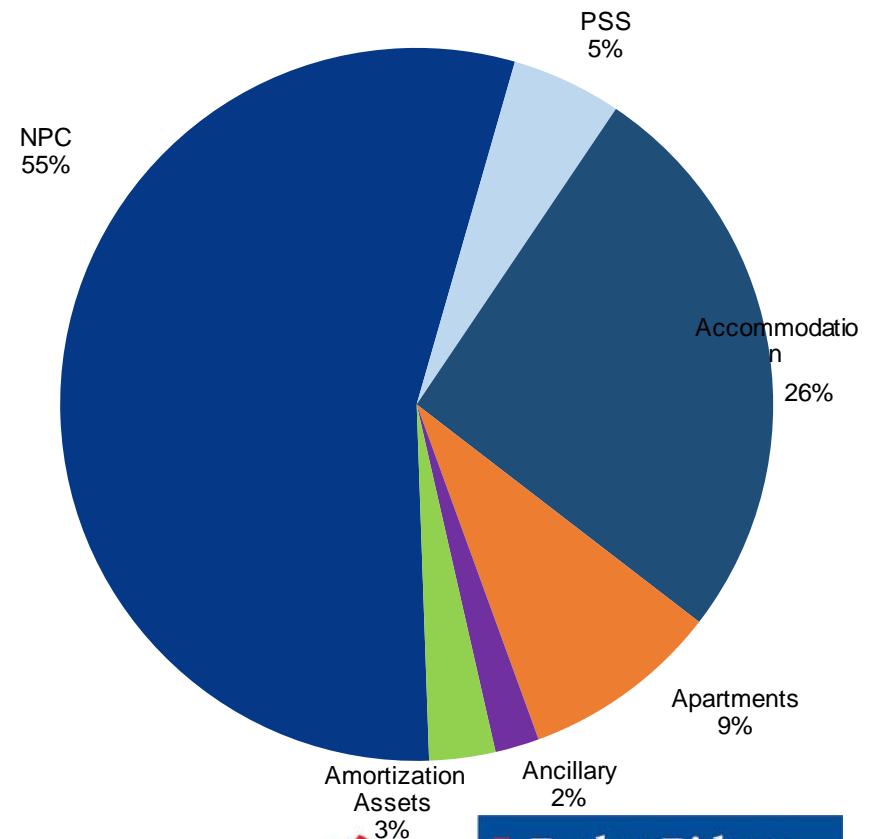


Where does the money come from and where does it go? Perley Rideau Example

Revenue



Expenses



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Accountability Reporting – Trust and Verify

- Every long-term care home must produce an annual audited report
 - Prepared by external, independent auditors
 - Reviewed by the MOHLTC
 - Posted in the Long-Term Care Home, presented to Family Council and Resident Council
- Additional statistical and financial reporting to the LHIN and MOHLTC
- Depending on the Long-Term Care Homes programs and partnerships additional reporting and auditing is often required.



Risks



Funding

- Variability in annual funding due to fluctuations in CMI
- Per-diem increases do not always keep pace with inflation



Capital Resources

- Aging infrastructure
- Information technology to enable better integration and performance management



Staffing

- Levels
- Recruitment



Mitigation Strategies

Operational efficiency

- How can we reduce waste and increase quality?

Partnerships

- What can we share with other organizations?

Ancillary activities

- What other lines of business can help support the long-term care home?

Fundraising

- For charitable homes

Advocacy

- In the context of scarce government resources



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Discussion, Questions?

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