

Public & Intergovernmental Affairs Committee

**Councillor David Courtemanche, Chair
Councillor Ron Bradley, Vice-Chair**

Request for Recommendation Priorities Committee



Type of Decision

Meeting Date	October 23 rd , 2002				Report Date	October 2 nd , 2002			
Recommendation Requested	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	Priority	<input checked="" type="checkbox"/>	High	<input type="checkbox"/>	Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open	<input type="checkbox"/>	Closed

Sub-Committee Check-Off

Please indicate which sub-committee will deal with this issue

<input type="checkbox"/>	Community Viability	<input checked="" type="checkbox"/>	Public & Intergovernmental Affairs	<input type="checkbox"/>	Financial & Program Accountability
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Report Title

Annual Long Term Care Funding Per Diem Increase: Pioneer Manor

Policy Implications + Budget Impact

<input checked="" type="checkbox"/>	This report and recommendation(s) have been reviewed by the Finance Division and the funding source has been identified
<input checked="" type="checkbox"/>	Background attached

Recommendation

Whereas the Minister of Health and Long Term Care (MOHLTC) has allocated an additional \$100 million in annualized funding to the long term care sector; and

Whereas the increase in funding at Pioneer Manor for 2002 equates to \$451,415, and

Whereas the increase in funding on an annualized basis for 2003 equates to \$1,048,780;

Recommendation attached

Recommended by the General Manager

Catherine Sandblom
Acting General Manager, Health & Social Services

Recommended by the C.A.O.


Mark Mieta
Acting C.A.O.

Request for Recommendation Priorities Committee



X	Recommendation <i>continued</i>	X	Background
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Please indicate if the information provided below is a continuation of the Recommendation or Background

Report Authored By
 Pam Cowan Acting Director, Long Term Care Facility & Seniors

Division Review
Name and Title

RECOMMENDATION continued:

Therefore be it resolved that \$450,000 be assigned in 2002 to enhance services to residents and to manage inflationary and unexpected costs; and that \$1,048,000 be allocated in 2003 to manage higher resident care levels, MOHLTC compliance standards and inflationary increases.

Funding Per Diem Increase Option # 1

To proceed as recommended.

Funding Per Diem Increase Option # 2

To defer allocation of funding increase to budget deliberations 2003.

The recommendation is that Council adopt Option 1. Families and residents are expecting to see service and care enhancements following the MOHLTC announcement of increased funding to Long Term Care (LTC) facilities. There has been extensive media coverage of this issue, and it is expected that there will be negative implications for Pioneer Manor should we defer spending the funding increase.

BACKGROUND:

Operational Funding:

On July 31, 2002, the Ontario Minister of Health & Long Term Care announced a new long term care funding increase of \$100 million annually to enhance the delivery of nursing and personal care services. The revenue increase reflects the higher acuity level of residents in long term care facilities and the higher costs of providing services. Please see attached press release. This increase also reflects

increased feedback and lobbying by long term care associations, facilities and clients to the Ministry regarding the need to increase funding to the long term care sector.

Of the MOHLTC revenue increase, 88% will be directed to the Nursing and Personal Care envelope, 10 % to the Other Accommodation envelope, and 2% to the Program & Support envelope. In addition, effective August 1, 2002, Medical Directors' fees (\$.30 per resident/day) and incontinence supplies (maximum of \$1.20 per resident/day) will be eligible expenses to be reported/funded under the Nursing and Personal Care envelope rather than the Other Accommodation envelope.

The MOHLTC announcement also indicated increases to accommodation fees via a resident co-payment increase. This will be phased in over three years. Effective September 1, 2002, residents will pay an additional \$3.02 per diem; with an additional \$2.00 per diem for the following two years. As has always been the case, no resident will be denied access based on income, and residents may apply for a rate reduction based on income.

The data below identifies annual funding per diem increases:

Funding Envelope	Additional Revenue per Resident/Day	Increase in Revenue 2002 over Budget	Increase in Revenue 2003, over 2002 Budget
Nursing & personal care	\$6.81 per resident/day (\$7.43 /resident/day adjusted for budgeted case mix index of 91.62%)	\$395,995	\$926,570
Program & Support services	\$0.11 per resident/day	\$10,280	\$13,720
Raw Food	\$0.00 per resident/day	\$0	\$0
Other Accommodation	\$0.87 per resident/day	\$45,140	\$108,490
TOTAL		\$451,415	\$1,048,780

Recommended Actions - 2002/2003

1. Staffing enhancements: Addition of 6 Health Care Aide positions. Cost for 2002 - \$96,000; cost for 2003 - \$384,000.

One MOHLTC care standard has involved provision to residents of a minimum of 1 supervised bath per week (understanding that there would be a daily sponge bath/wash). The increased revenues are expected to allow long term care facilities to increase this minimum standard. It is proposed that Pioneer Manor offer a full bath or shower minimum twice/week, instead of once/week, an estimated increase in staff time of 30 minutes per resident per week.

Compliance standards also require that all residents be up and eat all meals in a dining area. Current staffing levels in the heaviest care areas allow residents to be up for 2 meals. These residents require a mechanical lift transfer, often with 2 staff present for safety, and to move to a 3rd transfer for meals in/out of bed and to/from the dining room is estimated to involve an additional 15 minutes of staff time per day per the 90 heavy care residents in Copper and Diamond.

To achieve these goals, it is recommended that Pioneer Manor add 6 full time personal care staff, 7 days per week, distributed across the resident home areas. As well, the facility continues to receive residents with increased and more complex needs, and the additional staffing resources will enable provision of service in compliance with standards.

2. Staffing enhancements for 2003: 7 days/ week, 1 RPN at \$67,000.

An additional Registered Practical Nurse is required in order to provide appropriate professional care, and cope with the additional demands of increased complexity and levels of resident care.

3. Building maintenance costs : \$50,000 in 2002; \$ 50,000 in 2003.

Costs associated with additional maintenance needs as a result of beginning renovations and building updates, as well as Ministry of Health and Long Tern Care compliance recommendations have resulted in the need for more staff hours and for the use of outside contracted services. Contracted services include painting, grounds and landscaping maintenance, and preventative maintenance of electrical equipment in the main kitchen and serveries, and are estimated at a cost of \$ 50,000 each year.

4. Housekeeping staff enhancements: Addition of 1 housekeeping staff - \$15,000 for 2002 and \$58,000 for 2003.

To comply with MOHLTC recommendations, additional housekeeping hours are required to ensure appropriate cleaning of common areas, entryways, public washrooms, meeting rooms, classrooms, hallways and stairwells. Increased care levels of the residents have resulted in more housekeeping hours needed to prevent infections and cross-contamination through more frequent and more thorough cleaning of surfaces in resident rooms and bathrooms.

5. Raw food and nutritional care costs: Estimated additional raw food cost for 2002 is \$200,000, and for 2003 - \$200,000.

Budgeted food costs (net of recoveries) of \$700,000 continue to be unachievable given the residents' dietary requirements which include choices of products at each meal, and the need to provide a variety of therapeutic and textured diets.

There has been a reduction in raw food spending from last year in spite of regular inflationary costs of food products (from 5 to 15%). This has been the result of implementing better purchasing tracking and controls, and greater attention paid to reducing wastage. The facility continues to strive to reduce costs, however the raw food funding per diem of \$4.49 per resident per day is clearly inadequate and the discrepancy will need to be compensated from other envelopes as has been the past practice at Pioneer Manor.

6. Staffing Enhancement: Addition of a Food Services Supervisor (5 days/week) - \$10,000 for 2002 & \$50,000 for 2003.

It was mandated by the MOHLTC dietary compliance advisor that a second food services supervisor be hired. This directive was carried out in late 2001, and has been an unbudgeted expense item for the facility since then. It is recommended that this nutritional care cost be a permanent, non-union position.

7. Staffing enhancement: Addition of 1 Nurse Practitioner in 2003 (5 days/week) - cost is \$90,000.

It is recommended Pioneer Manor acquire the full time services of a Nurse Practitioner (NP). This is a necessary clinical resource as Pioneer Manor endeavours to provide best practices and to keep up with the ever-increasing complexity of needs of residents and their families. At least half of the NP's duties will involve addressing the primary health care needs of residents through assessment, diagnosis, and treatment of common illnesses and injuries, through health examinations and screening, and through the monitoring of chronic conditions. The NP will function as a distinct member of the multi-disciplinary team working closely with physicians. Other functions will include acting as Infection Control Practitioner, and as clinical practice educator.

8. Occupational Health & Safety Management: Hiring of an outside consultant to provide ongoing Health & Safety services to Pioneer Manor - Cost is \$40,000 in 2003.

It is recommended that Pioneer Manor seek the services of an outside contracted service to assist us in managing the health and safety of workers. It is expected that incorporating industry best practices related to occupational health and safety will lead to an increase in employee wellness, and a reduction in absenteeism and WSIB costs for the facility. The \$40,000 recommended is in addition to monies already budgeted for a part time Occupational Health and Safety person - thus full time services will be utilized for this important service.

9. Occupational Therapist: move to full time - cost is \$7,000 for 2002, and \$28,000 for 2003.

The Occupational Therapist currently provides 20 hours per week of professional services to Pioneer Manor. It is proposed to increase this service to full time to meet the increasing demands and requirements of the resident population. In addition, the Occupational Therapist will assist in the implementation of a specialized memory clinic for northeastern Ontario in conjunction with the Memory Assessment Working group of the Seniors Campus. The Occupational Therapist is currently on contract from Laurentian Hospital and would become a permanent employee of Pioneer Manor.

10. Equipment and equipment replacement costs: for 2002 - \$65,000; for budget 2003 - \$ 66,000.

In 2002, two new therapeutic tubs and chair lifts are required. In addition, the replacement of beds with new electric beds and therapeutic mattresses will benefit resident care.

To ensure appropriate equipment for tub-rooms in the new building, there is a need to purchase two additional tubs for the year 2003. The continued replacement of beds with electric beds will continue to provide improved resident care and safer working conditions for staff.

11. Incontinent Product conversion: cost for 2002 - \$ 7,000; for budget 2003 - \$ 15,000

It is recommended that Pioneer Manor begin the process of converting from a reusable (rewash) incontinent product, to a single use or disposable product. Benefits of using a single use product are well documented in the literature. They are aesthetically more desirable, requested by residents and families, considered to be more dignified, to promote skin integrity and overall quality of life, and to reduce odours. Of the long term care facilities in the province, 75 % use a single use product, and 100 % of the newly built facilities use the disposables. From an environmental perspective, the additional waste for landfill sites is balanced by a reduction in the energy, water and soap costs of washing, disinfecting and drying. The single use products are cotton, a renewable, biodegradable resource.

The costs shown above, when combined with the monies already budgeted for incontinence supplies and laundry, will cover the estimated costs of transition to single use products.

The following chart summarizes recommended spending as a result of the per diem increase:

Recommended action:	2002	2003	Additional Permanent Staff
1. HCA staff increase	\$ 96,000	\$ 384,000	6
2. RPN staff increase	\$ 0	\$ 67,000	1
3. Building maintenance	\$ 50,000	\$ 50,000	
4. Housekeeping staff	\$ 15,000	\$ 58,000	1
5. Raw food	\$ 200,000	\$ 200,000	
6. Food services supervisor	\$ 10,000	\$ 50,000	1
7. Nurse Practitioner	\$ 0	\$ 90,000	1
8. Occ. Health & Safety	\$ 0	\$ 40,000	
9. Occupational Therapist	\$ 7,000	\$ 28,000	1
10. Equipment	\$ 65,000	\$ 66,000	
11. Incontinent Products	\$ 7,000	\$ 15,000	
TOTALS	\$ 450,000	\$ 1,048,000	11



Attention News/Health Editors:

Eves government announces nearly \$200 million in long-term care funding

TORONTO, July 31 /CNW/ - The Ernie Eves government will invest \$198 million in funding to improve the delivery of long term care services in Ontario and greatly enhance long term care nursing and personal care services, Associate Minister of Health and Long-Term Care Dan Newman announced today.

"The Ernie Eves government has made an unprecedented commitment to long-term care patient services in Ontario and today's announcement will go a long way to improving the level of care our seniors receive," Newman said.

Today's announcement includes:

- \$100 million to enhance the delivery of nursing and personal care services;
- \$98 million in funding to build new and renovate existing long-term care facilities as part of the government's \$1.2 billion commitment to open 20,000 new beds;
- a three-year phase-in of the increased resident co-payment; and
- increasing the minimum income threshold for seniors in each of the next three years and an immediate review of the comfort allowance for residents of long-term care facilities.

Based on estimates from the Nursing Home sector, the \$100 million in nursing funding adds an additional 2,400 nurses and personal care workers to the long term care sector, or approximately 3.9 full time equivalent nursing and personal care staff per 100-bed facility.

"This will be the single largest infusion of funds into nursing and personal care services for the long term care sector in the history of the province," said Newman. "These are the people that are on the front lines -- taking care of our parents and grandparents -- and it is imperative that they have the resources they need to deliver even higher-quality care."

Newman announced that the resident co-payment increase will be phased in over three years, and will now take effect September 1, 2002. The amount residents pay will be increased \$3.02 per day this year, to a maximum of \$47.53. Part of this increase is offset by the annual inflationary increase to retirement benefits for seniors. The co-payment rate in the following two years will be an additional \$2.00 per day, a portion of which will be covered by the annual inflationary increase to Federal retirement benefits. As has always been the case, no resident will be denied access based on income, and any resident who cannot afford the co-payment can apply for a rate reduction.

"Today's increased funding means better long-term care in Ontario, and we are giving residents and their families more time to adjust to the new co-payment," said Newman.

The Eves government has also amended Ontario's bathing regulations to better meet the individual needs of residents and ensure their daily health and hygiene. It will also ensure that care is delivered consistently amongst the different types of facilities in the province.

Backgrounder

LONG-TERM CARE IN ONTARIO

- Long-term care facilities provide accommodation and services to individuals who are no longer able to live independently in their own homes and who require 24-hour nursing services to meet their nursing and personal care needs.
- As of late July 2002, there were 529 long-term care facilities across the province with 61,683 beds: 361 nursing homes; 100 municipal homes; and 68 charitable homes.
- There are two types of accommodation: basic; and preferred (semi-private and private rooms). Residents who opt for preferred accommodation pay the full basic rate plus a premium. Facilities may charge a maximum premium of \$8 per day for semi-private and \$18 per day for private accommodation. At least 40% of the beds in a facility must be designated as basic accommodation.

FUNDING

- The Ontario government is investing \$198 million in funding to improve the delivery of long-term care services in Ontario.
- Long-term care facilities have two sources of operating funds: residents who contribute toward the cost of their room (accommodation costs) and the Ministry of Health and Long-Term Care which pays for their care and related costs.
- The Ministry of Health and Long-Term Care pays for the full cost of nursing and personal care, and programming and support services (e.g. therapy and recreation).
- Residents contribute toward their accommodation costs only (e.g. housekeeping, lighting, and heating). This is known as the resident co-payment. The Ministry allows for a rate reduction for those residents in basic accommodation who cannot afford to pay some or all of their accommodation costs (see resident contribution section below). Residents are charged an amount that allows them to retain a minimum \$112 per month for discretionary spending. This is known as the "comfort allowance".

RESIDENT CONTRIBUTION

- All residents are charged for their accommodation costs through a co-payment. The maximum co-payment for basic accommodation, effective September 1, 2002 will be \$47.53 per day.
- Residents in basic accommodation who cannot afford to pay the full basic co-payment rate may request a rate reduction.
- Rate reduction is based only on the income of the resident. Assets, spousal income or family income are not included.
- If a resident is eligible for a rate reduction, the Ministry supplements the difference between the resident co-payment and the guaranteed amount.

Residents in preferred accommodation must pay the full co-payment amount and are not eligible for rate reduction. A premium for preferred accommodation is charged in addition to the co-payment. Facilities may charge a maximum premium of \$8 per day for semi-private and \$18 per day for private accommodation.

CO-PAYMENT INCREASE (EFFECTIVE SEPTEMBER 1, 2002)

- Effective September 1, 2002, the maximum co-payment rate will be increased by \$3.02 per day. Part of this increase is offset by the annual inflationary increase to retirement benefits for seniors. For the month of August, residents will pay the current 2002 rate.
- \$1.02 of the increase for long-term care facilities reflects the increase in the OAS/GIS, and will be allocated to long-term care facilities for accommodation so that they can maintain existing services.
- The remaining \$2.00 this year will go toward accommodation. With residents paying this additional amount, the government can free up some of the money it pays to current accommodation subsidies and use it for nursing and personal care. This will ensure that as much government funding as possible will go toward direct services for residents -- nursing and personal care.
- Residents in basic accommodation will still be able to apply for a rate reduction based on income.

This news release is available on our website at: www.gov.on.ca/health

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For further information: Members of the media: Lynne Hamilton, (416) 327-9829, Associate Minister's Office; John Letherby, (416) 314-6197, Ministry of Health and Long-Term Care; Members of the general public: (416) 327-4327, (800) 268-1154

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