

Wednesday, March 4, 2015

via e-mail to All Council and Mayor

The Corporation of the City of Timmins
220 Algonquin Blvd. East
Timmins, ON P4N 1B3

Dear Mayor and Council:

Re: Long Term Care Funding

Since our last presentation to Council, there have been many comments and discussions on social media forums and among residents which are inaccurate and we would like to take this opportunity to further discuss why we believe that the Golden Manor funding warrants further investigation.

There are 3 types of long term care facilities in the province: private (Extendicare), charitable (South Centennial Manor in Iroquois Falls) and municipal (Golden Manor). To clarify, none of these are classified as retirement homes. All long term care homes in the province of Ontario are funded the same amount for all operational costs by the Ministry of Health. Municipal homes actually receive more funding and grants than private and charitable homes. Another fact is that the Golden Manor pays no municipal taxes and Extendicare pays 100% municipal taxes (approximately \$500,000), but they are eligible for an 85% rebate from the provincial government.

To state that private nursing homes have a different model is misleading, as every single LTC home in the province must follow the LTC Act and its regulations in regards to admission into a LTC home. This application process and assessment is completed by Community Care Access Centre (CCAC) with the information provided by the family/client and this includes items such as income verification, type of accommodation requested/required. The family/client is informed about the LTC care facilities in the area and the family/client choose their top preferences and then they are put on a waiting list.

All LTC facilities in the province are classified as "A", "B", and "C" homes. The classification represents the building code/standards for LTC homes to which the Ministry of Health inspects compliance in annual inspections. Presently, the province is concentrating on renovating/replacing all the "C" LTC homes in the province. Total rebuild/renovating costs depend on the home and its location, but the building owner is responsible to finance the total project. There is no provincial or federal contribution to capital costs. Extendicare financed \$32M and their mortgage is over \$1.6 million a year. The Golden Manor is classified a "B" type home, Once the "C" building are completed the Ministry will start on the "B". If the building is replaced in 10 years, the cost would likely carry a \$40M price tag and with annual mortgage of \$2M+. Building classification:

- ~~A~~ classification: private rooms and basic rooms (shared bathroom)
- ~~B~~ classification: private rooms, semi-private rooms and basic rooms
- ~~C~~ classification: similar to ~~B~~ but with some ward rooms/communal bathrooms

The Ministry of Health also sets the rates for the types of rooms, regardless of the type of home: \$1,731.62 for basic, \$1,974.96 to \$2,066.21 for semiprivate and \$2,279.12 to \$2,438.81 for private. These rates are the maximum that any LTC home can charge, regardless of how high the client's income/pension is. All seniors in Ontario receive a minimum pension income (approximately \$1420). LTC facilities are required to allow the clients to keep \$138.00 for personal expenses and the rest is paid to the home. No senior or under age client with health issues (18 and older) can be refused accommodation, irrelevant of their income. The LTC homes have limitations to accommodate certain challenging clients based on their classification available rooms. For example, a basic room client may require a private room because of severe health issues and in these cases home can apply to the MOH for high intensity needs for top up if the client cannot afford it.

All LTC Homes have to follow the rules and regulations and reporting format to the Ministry of Health. Private, charitable and municipal operators cannot pick and choose who they want in their homes. They report their vacancy to the CCAC and the next client who is a match on the waiting list is offered the bed. If a LTC home wants to reject a client (based on one of 3 grounds), then they must send a letter to the MOHLTC. It is not in the best interest of a private home to reject any client since they require full occupancy to make a profit. It is also false to state that private homes have mostly private beds since they are required (by MOHLTC) to have a 40/60 split (basic/private). The profit that is made is based on the rate set by the MOHLTC minus the base rate as was discussed previously (so not thousands of dollars). If this is not followed, the MOHLTC will pull funding. The Golden Manor has 40 private rooms, 100 basic beds then 36 beds must be semiprivate, which would have the same rates as stated earlier and again as very LTC facility in the Province.

Other funding

All LTC homes in the province also receive the following funding from the MOH (on a per resident/per day basis):

- Nursing: \$90.70
- Programs and support services: \$9.05
- Food: \$7.80
- Other (laundry/supplies/service staff/repair/maintenance): \$53.12
- Physiotherapy program (approximately \$765.00 per resident/year)

This funding is also based on the LTC facility following the criteria that the CMI (Case Mix Index). The provincial CMI average is .99 (based on previous year's resident assessments and an occupancy rate of at least 97% during the year on a monthly basis). These figures set the standard for homes receiving maximum funding. If a home falls below these figures, they can start to lose funding. The current CMI at the Golden Manor is 0.95 which is much lower than the provincial average; therefore, stating that the Golden Manor has more complex residents and stating that they are required to take in everyone is again misleading and not true. The truth is that based on the Golden Manor's CMI of .95, it would receive funding for nursing services and care on a basis of 95% funded per bed.

Another important factor that impacts funding is the occupancy of the home. The provincial occupancy average is 99% and yet the Golden Manor has averaged a 95% occupancy in the past, which means that they lost 5% of their total funding, which is a considerable amount of money. As previously stated, municipal homes have that ability to reject clients and follow the same legislation, but the difference is if their occupancy does not meet 97% as per the MOHLTC regulations and the LHIN

LSAA agreements, the City then covers these costs, which is significant.

The public deserves to hear the truth and then problems at the Golden Manor can be honestly identified and resolved. With the information that we have provided, we are still asking the question, "Why is the Golden Manor costing taxpayers so much?" The BMA report also supports the fact that we are well above the averages for providing care for the aged. We agree that our seniors deserve good quality care, but we also feel that it is time to see whether that care for 176 people can be provided with less burden on the taxpayers.

Thank you.

Alex Szczebonski
Timmins Taxpayers' Association