

Long-Term Care Overview: Funding and Staffing

Presentation to the LTC Commission

September 24, 2020

Long-Term Care System Overview

- Long-term care residents have increasingly complex care needs:
 - 81% have some form of cognitive impairment, 1/3 of which is severe
 - On average, residents are 84 years old
- ~\$6.2B is spent annually on long-term care. The program is funded by the government ~(\$4.6B) and by resident co- payments ~(\$1.6B).
- The sector employs more than 100,000 people including 56,000 FTE direct care staff:
 - 32,000 FTE Personal Support Workers (PSWs)
 - 15,000 FTE Registered Nursing Staff including nurse practitioners, nurses, and practical nurses
 - 9,000 allied health professionals and programming support (such as activity assistants, dietitians, occupational and physical therapists, and social workers)
- Registered Nurses and PSWs typically earn an average hourly wage that falls in between hospitals and home/community care
- The sector consists of 355 for-profit homes and 271 non-profit homes.

Note: Statistics provided by Ministry of Long-Term Care

Funding



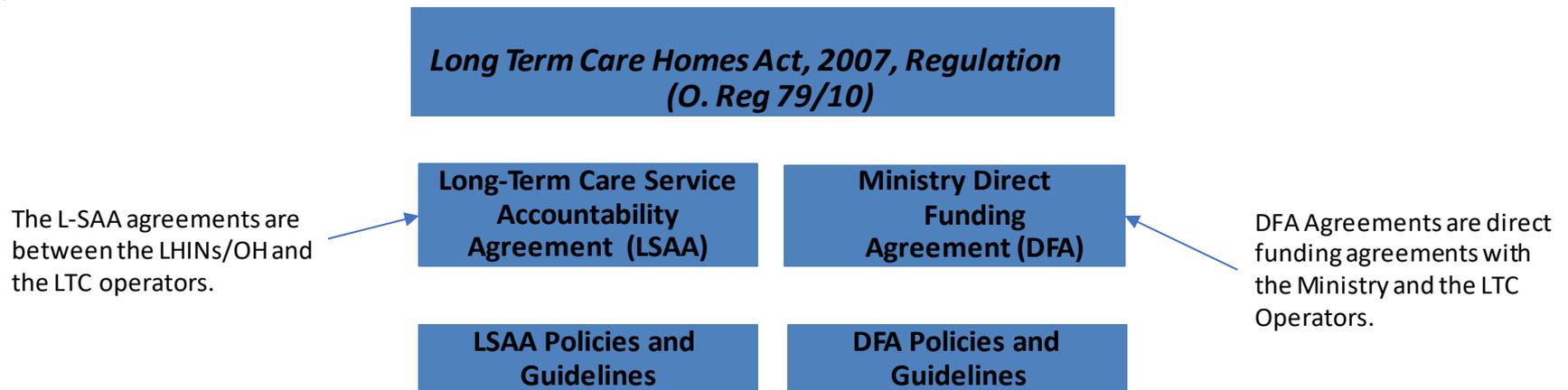
LTC Funding and Accountability Framework

The Long-Term Care funding model combines **Level-of-Care (LOC) per diems**, **targeted supplementary funding streams**, and **claims-based funding** to focus funding where it is needed with the intent of driving better care and quality of life outcomes.

Key principles informing the long-term care sector funding framework are:

- ❖ Resident-focused (money following the resident)
- ❖ Equitable allocation of health care dollars
- ❖ Better quality care and improved outcomes

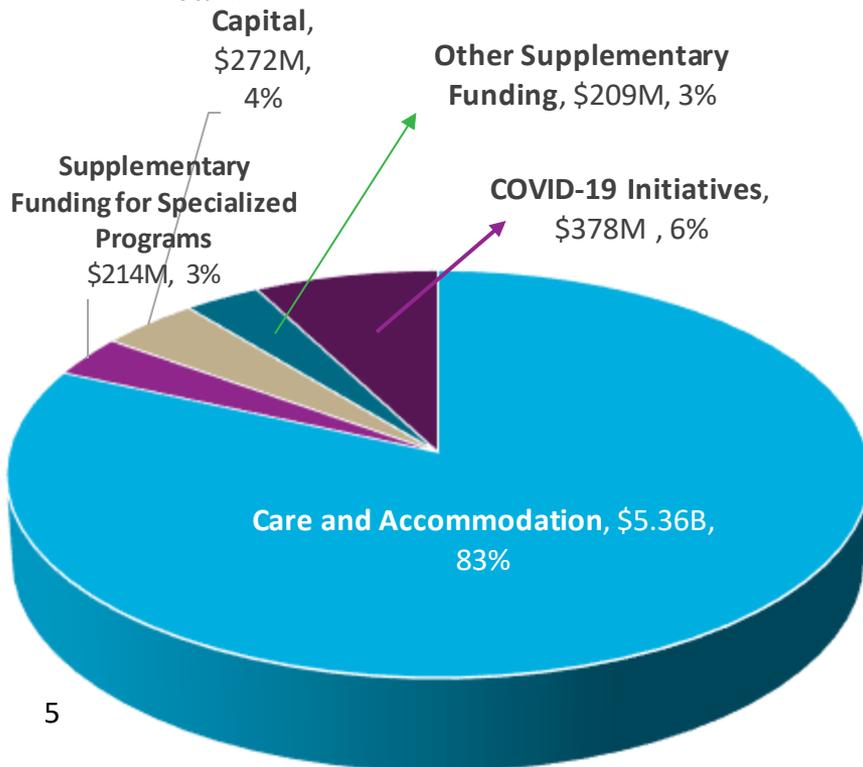
Accountable delivery of the framework is supported by a series of **Long-Term Care Accountability Agreement** and **Direct Funding Agreement** policies that work together with the reconciliation process to ensure that funds are spent as intended.



LTC program policies are available at http://www.health.gov.on.ca/en/public/programs/ltc/lcaa_policies.aspx

LTC Sector Funding: How We Fund LTC Homes

- The majority of long-term care funding is used for staffing, supplies, equipment and for accommodation-type expenses (food, housekeeping, maintenance).
 - Funding is provided to homes on a per diem basis through a Long-Term Care Home Service Accountability Agreement (L-SAA). The ministry also provides supplementary funding for specialised supports, capital and other initiatives through both the L-SAA and the Direct Funding Agreement (DFA).
- \$6.2B** is spent on long-term care (2020-21). The program is funded by the government (\$4.6B) and by resident co-payments (\$1.6B).
 - Note: In addition to the annual allocation, the government has invested an additional \$378M for COVID-19 prevention and containment and temporary surge capacity to date. A portion of this funding combined with an investment from the federal government also enabled an investment of \$321M in temporary pandemic pay to LTC staff.



2020-21 Funding Metrics



\$6.2B for Long Term Care
 4.6 B Ministry Funds
 1.6 B Resident Co-Pay



~\$68,500 per resident per year
 Annual base operating funding



~\$6,000 per resident per year
 Estimated subsidy for additional nursing care, specialized supports, and other program initiatives

Resident Co-payment

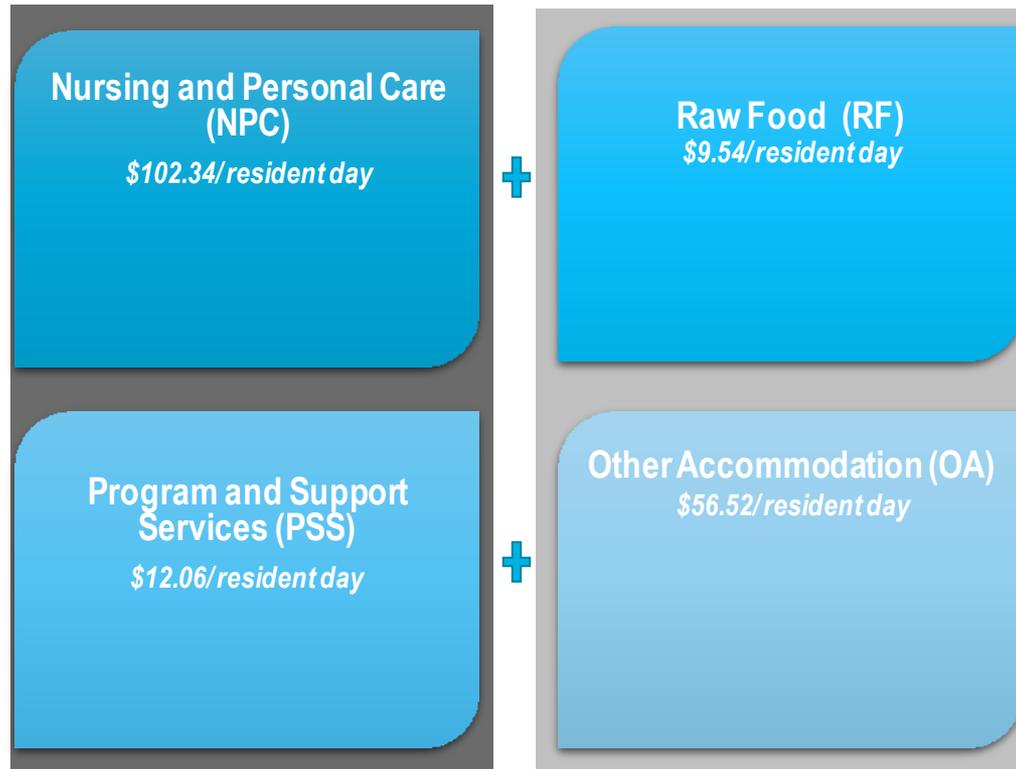
Residents contribute towards the cost of meals and accommodation through co-payments of \$62.18 per day. **~35%** receive financial assistance (from the Ministry) to pay for accommodation.

Level-of-Care Funding

LTC homes are funded through the Level-of-Care (LOC) funding envelopes, supplementary funding streams, and claims based funding. The majority of LTC funding is targeted at care and accommodation which consists primarily of the **LOC envelopes**.

LOC Envelopes - \$184.96 per diem (April 1, 2020)

The government funds the full cost of the direct care envelopes (i.e., NPC and PSS)



RF and OA envelopes are funded with some subsidy from the government.

As outlined in regulation, LTC residents are required to contribute a co-payment towards the cost of their meals and accommodation.

\$62.18, will increase to **\$63.36 per day**

The government provides a rate reduction to low income residents so that income is not a barrier to accessing LTC.

Operators may retain a portion of the OA envelope as income. Any surplus (unused) amounts from the other envelopes are recovered by the ministry.

+ **Global Per Diem - \$4.50/ resident day**
 (Includes \$2.73 Global Per Diem increase as of April 1, 2020)
 32%

Examples of Supplementary Funding

Falls and Injury Prevention

- \$8M base for equipment that aids in prevention of falls and injuries related to falls.

Minor Capital Program

- \$22.8M in dedicated funding to support LTC homes in maintaining an optimal state of repair while ensuring the safety of their residents

Behavioural Support Ontario (BSO)

- Provides supports/ services to individuals with responsive behaviours due to cognitive conditions such as dementia and Alzheimer's.
- \$74M MLTC funding supports BSO services for LTC residents

Clinical Education

- \$3.1M Centres for Learning, Research and Innovation
- \$4M PSW Education Fund
- \$1M Palliative Training Fund
- \$16.3M for development of Electronic Clinical Support Tools and \$2M for ongoing maintenance

Behavioural Specialized Units (BSU)

- Established a pilot ministry-funded BSU program in 2019-20 at three LTC homes to provide support for residents with behavioural challenges, including complex responsive behaviours

Family and Resident Engagement

- MLTC provides base funding to Ontario Association of Residents' Councils (OARC) and Family Councils of Ontario (FCO) which support Residents' and Family Councils to function effectively
- Council participation allows members to provide advice on ways to improve the operation of homes

COVID-19 Investments

- Since April 2020, to support all long-term care homes, staff and residents, the government provided an initial investment of \$243 million in emergency funding, and a subsequent investment of \$135 million for ongoing prevention and containment efforts.
 - A portion of this funding combined with investment from the federal government also enabled an investment of \$321 million for a temporary pandemic pay. The pandemic pay provided an increase of \$4 per hour for approximately 100,000 eligible staff in LTCHs that worked onsite in LTCHs between April 24, 2020 and August 13, 2020.
- These investments are being used to:
 - Provide funding directly to long-term care homes to cover the incremental costs associated with preventing and containing the spread of COVID-19
 - Cover the incremental costs of creating capacity (e.g. funding beds created under emergency licenses, funding the costs of beds in alternate settings for long-term care bound ALC patients in hospital)
 - Provide pandemic pay to all non-management long-term care staff for 16 weeks
 - Cover the cost of deferring the annual increase in resident co-payments from July 1, 2020 to January 1, 2021

For the 2020 calendar year, the ministry temporarily suspended the occupancy target, allowing homes to receive full funding regardless of actual occupancy. This change is in recognition that homes may not achieve regular occupancy levels during the ongoing pandemic, but would still incur staffing and other operating costs.

Prevention and Containment Investments

Government Allocations

March 17th 2020: Minister announced **\$50M** investment in emergency funding

April 1st Minister announced **\$88M** in additional prevention and containment funding

April - May Worked with associations and developed funding approach

June Worked with associations and refined funding approach

August An additional **\$135M** for prevention and containment provided to cover costs incurred from July to September



Amounts Disbursed

2020

Tranche #1
March 17th
\$23M
disbursed to
LTC sector

Tranche #1
April 2020
\$23M
disbursed to
LTC sector

Tranche #2
May 2020
\$35M
disbursed to
LTC sector

Tranche #3
July 2020
\$44M
disbursed to
LTC sector

Tranche #4
Sep 2020
\$45M
disbursed to
LTC sector

2021

~\$170 Million Disbursed to Date

Tranche 3 & 4 Disbursement Funding Methodology

- Every eligible home receives baseline funding of \$12,000 per home and \$200 per bed
- Additional funding is provided to homes with B, C and/or D beds. Small homes with 96 beds or fewer receives \$15,000 and homes with 97 beds or more receives \$10,000.
- Homes in outbreak or resolved outbreak status receives additional \$10,000 per home and \$300 per bed.

Eligible COVID-19 Prevention and Containment Items

This additional funding is intended to financially support the necessary incremental expenditures and provide flexibility to prevent and contain COVID-19 and is not limited to specific expenditure categories. Examples of eligible items include the following:

- Providing immediate 24/7 health screening to staff and visitors when entering the building, and to screen residents on an ongoing basis for early containment of new infections
- Prevention and containment activities, through hiring new staff to carry-out the added workload for essential services and/or replacing workers who are sick or in isolation
- Staffing recruitment and retention strategies (e.g. over-time pay, additional costs of converting part-time staff to full-time, costs of back-filling staff on sick leave)
- Cleaning, equipment, and operating supplies beyond typical levels for the home.
- Implementing infection control measures based on clinical evidence, advice from a physician or other regulated health practitioners with expertise in infection control
- Supporting virtual care and services for residents and staff
- Providing hotel or other accommodation to some staff to assist them in reducing travel or exposure to their families
- Any other incremental expenditures required for the rapid response to prevent and contain COVID-19 in the home

Staffing



Staffing Challenges in LTC

- A number of recent reviews and reports have provided advice and recommendations on long-term care staffing to the province and to the sector.
 - In 2019, Justice Eileen E. Gillese released the report of the [Public Inquiry into the Safety and Security of Residents in the Long-Term Care Homes System](#). The mandate was to understand the events which led to the offences of a registered nurse in LTC, as well as the circumstances and contributing factors.
 - Eighteen of the 91 recommendations related directly to staffing within the long-term care sector – directed to various parties.
 - The recommendations included potential improvements around staff training (e.g., registered nursing staff, medical directors, contract and full-time staff, and management), human resource management, funding changes within the system, and overall culture change.
 - Recommendation #85 directed the ministry to complete a **staffing study** to determine adequate levels of registered staff in long-term care homes.
 - To address this recommendation, the Ministry of Long-Term Care launched a long-term care staffing study in early 2020, with support from an external [Advisory Group](#)
 - The Advisory Group was asked to respond to Recommendation #85 and to also provide input on a broader range of long-term care staffing issues, including recruitment and retention.
 - The Ministry of Long-Term Care released the [study on long-term care staffing](#) on July 30, 2020.

Staffing Study: What Was Heard

During the Staffing Study Advisory Group's engagement with long-term care partners, the following key issues were raised:

Sector Challenges

- Rising resident acuity
- Staffing shortages - contributing factors include:
 - Challenging working/employment conditions for staff (i.e. work culture, resident behaviours, end of life care, abuse)
 - Gaps between educational experience and the work environment
 - Labour supply
 - Negative public image

Barriers to Change

- Legislative and regulatory framework
- 'Compliance' culture
- Funding model

Staffing Study: Key Findings and Recommendations

In the staffing study, the Advisory Group identified three key findings and five key priorities for immediate action:

Key Findings

1. Staffing in long-term care is in crisis and needs to be urgently addressed
2. Long-term care needs to be a better place to live and better place to work
3. Staffing approaches need to reflect and respond to the diversity of the sector and the diversity of the residents who live in long-term care

Priorities

1. The number of staff working in long-term care needs to increase and more funding will be required to achieve that goal (includes
2. The culture of long-term care needs to change – at both the system and individual home level
3. Workload and working conditions must get better, to retain staff and improve the conditions for care
4. Excellence in long-term care requires effective leadership and access to specialized expertise
5. Attract and prepare the right people for employment in long-term care, and provide opportunities for learning and growth

Staffing Strategy: Next Steps

- The Ministry of Long-Term Care is currently developing the **Long-Term Care Staffing Strategy**, for release by the end of 2020.
- It will be part of the **broader modernization** of the long-term care sector, and be informed by the staffing study, and by the experience to date in relation to COVID-19.
- The Strategy is intended to address the underlying and systemic issues associated with LTC staffing.
- Critical staffing initiatives will also be implemented or launched over the coming weeks to continue stabilizing LTC homes. Those initiatives would align with the goals of the longer-term Staffing Strategy under development.

Supports to Long-Term Care Staffing During COVID-19

Early Issues

- Recognition that homes would require some additional flexibility – to quickly replace staff who might be unable to work due to illness/self-isolation requirements
- There was a need for additional staff – screening, additional cleaning, care for residents in isolation
- Existing staff might need to be deployed differently within the home environment to respond to new needs, staff shortages, etc.

Early Response

- Emergency funding with flexibility on how it could be used
- Operator staffing flexibilities through regulatory changes, including emergency orders (see appendix B)
- Pools of people for employment – Ontario’s Health Workforce Matching Portal – to bolster the efforts of homes/chains
- Staff training and supports (e.g. Centres for Learning Research and Innovation: online training supports for LTC staff developed by consortium of stakeholders including Baycrest and the Michener Institute, funding to AdvantAge Ontario for training)
- Pandemic pay

Supports to Long-Term Care Staffing During COVID-19

- As the pandemic progressed, the experience on the ground informed additional actions
 - OH regional tables coordinated local efforts with individual homes
 - OH provided direct human resource supports to some homes
 - Redeployment of staff – from hospitals and home care sector; from municipalities for municipal homes
 - Canadian Armed Forces staff resources deployed
- Return to Work focus – getting staff back to work to increase/stabilize staffing levels
 - Series of letters from Deputy Minister to homes requesting them to submit return to work plans
 - OH worked with hospitals, homes and associations to develop a “Return to Work Guide” as a resource for all homes
- Staffing efforts gradually shifted
 - Back to longer-term focused work – re-engaged the Advisory Group to complete the staffing study
 - Staffing stabilization initiatives identified as part of overall stabilization work

Appendix A: Supplementary Funding Streams and Programs

In addition to the LOC funding, LTC homes receive **targeted supplementary funding** for basic care and accommodation, specialized supports, capital and other initiatives. Some of these funding streams are claims based funding. 2020/21 supplementary funding streams include:

Supplementary Funding for Specialized Programs \$214M

- Behavioural Support Ontario (BSO)*
- High Intensity Needs Fund (HINF) (*claims based funding*)
- Falls Prevention
- Assistive Devices Programs –LTC Expansion
- Convalescent care beds
- Attending Nurse Practitioner
- Nurse Practitioner
- Behavioural Specialized Units (BSU)

Capital \$272M

- Construction Funding Subsidies and Grants (e.g. CFS, Development Grants)
- Minor Capital

Other Supplementary Funding \$209M

- Clinical and education supports
- Personal Support Worker (PSW) Training Fund
- eClinical Support Tools
- Municipal Tax Allowance Fund (*claims based funding*)
- Laboratories Services Funding
- Pay Equity Funding & Equalization Adjustment
- Physician On-Call (POC) Program

Covid-19 Initiatives \$378M

- Prevention and Containment Funding
- Pandemic Pay
- LTC Emergency Capacity

*LHINs manage BSO MLTC funding have flexibility to allocate this funding to support local service needs, resulting in models that vary across the province. As a result of the local system planning approach of the BSO LTC investment, BSO service models vary across the province to reflect locally-appropriate service needs.

Appendix B:

Regulatory Measures During COVID-19 – Staffing

- **O. Reg 72/20** – Long-term care operators have additional staffing flexibility under the *Long-Term Care Homes Act, 2007*
- **O. Reg. 77/20** - Long-term care operators can redeploy staff as needed, including flexibility in scheduling and assignments
- **O. Reg. 95/20** – Long-term care operators have flexibility in operating and staffing by temporarily streamlining requirements under the *Long-Term Care Homes Act, 2007*
- **O. Reg. 146/20** - An employee of a long-term care home who also works as an employee for another health service provider or retirement home is required to work for only one health service provider or retirement home
- **O. Reg. 157/20** – Municipalities have flexibility to reassign staff to where there is local need, including long-term care
- **O. Reg. 156/20** – Local Health Integration Networks (LHINs) can work with their home care service providers to redeploy to long-term care
- **O. Reg. 74/20** - Amended to authorize hospitals to redeploy staff to long term care settings to provide assistance
- **O. Reg 205/20** – Authorizing school boards to redeploy staff to other settings, including long-term care