Long-Term Covid-19 Care Commission

Via Zoom
on Monday, September 21, 2020

The government has objected to the evidence redacted on the basis of privilege.

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MEETING OF THE LONG-TERM CARE COVID-19 COMMISSION

--- Held Virtually via Zoom, with all participants attending remotely, on the 21st day of September, 2020, 3:03 p.m. to 4:58 p.m.

BEFORE:

The Honourable Frank N. Marrocco, Lead Commissioner
Angela Coke, Commissioner
Dr. Jack Kitts, Commissioner

PRESENTING:

Michelle-Ann Hylton, Director of the Capital Planning Branch within the Ministry of Long-Term Care

PARTICIPANTS:

Margaret Allore, Capital Planning Branch within the Ministry of Long-Term Care

Gary Thompson, Manager of the Programs and Policy Unit within the Ministry of Long-Term Care

Neil Vanderkooy, Manager of the Project Management Units within the Ministry of Long-Term Care

Alison Drummond, Assistant Deputy Minister, Long-Term Care Commission Secretariat

Derek Lett, Policy Director, Long-Term Care Commission Secretariat

Amy Leamen, Counsel, Legal Services Branch for the Ministries of Health and Long-Term Care

John Callaghan, Lead Counsel, Long-Term Care Commission Secretariat

Sunil S. Mathai, Counsel, Crown Law Office Civil.

PARTICIPANTS (cont'd):

Roopa Mann, Counsel, Crown Law Office Civil.

Ann Christian-Brown, Counsel, Crown Law Office Civil.

Lynn Mahoney, Counsel to the Ministry of Health and Long-Term Care.

ALSO PRESENT:

Judith M. Caputo, Stenographer/Transcriptionist

COMMISSIONER MARROCCO: Okay, let's begin.

MS. HYLTON: A pleasure to come back to you today. We ended Friday with -- or started Friday with a very thorough conversation from the licensing perspective.

The other part of my portfolio is specific to LTC development. As I mentioned on Friday, licensing goes hand-in-hand with capital.

And so the Long-Term Care Development Program, as detailed in this deck, really embodies an established program within the Ministry that was developed to facilitate the development of net new as well as the redevelopment of existing older capacity across the Province.

Slide 2 as captured in the deck gives you a bit of historical context as it relates to long-term care homes more broadly.

So dating back to before 1991, long-term care homes in the province fell into multiple categories. So we either had nursing homes, municipal homes for the aged or what we call charitable homes for the aged.

Those three groupings also fell under different ministries, so a very different structure

that we have currently.

It really was in 1991 that, as those ministries were sitting between the Ministry of Health and what was then the Ministry of Children, Community and Social Services, it was around that time that there were quite a bit of discussions taking place in and around the benefit of bringing what was then being called nursing homes together under one ministry, and that was the Ministry of Health.

So that change took place in 1993. I think it's worthwhile stating though, as you had the different programs, nursing homes, municipal and charitable homes existing under different ministries, each program had its own set of systems and rules, and the approaches to development and implementation of base standards also very different, part of the impetus behind bringing these homes together under one ministry, and under a single piece of legislation.

So, again, that happened in 1993. And these different homes were brought into the Ministry of Health in particular.

But at that time, the legislation that was used to introduce this change did not address

any building design features. The different structural classifications and standards continued to exist. The different structural standards.

The idea or the construct of a structural classification, which is simply a means of organizing and categorizing homes based on their design and their age, that came about in 1998.

So not so far in the -- so far back in terms of history. But the idea of organizing homes on what we call "structural classification", or their age and when they were built --

(Reporter sought clarification).

MS. HYLTON: Just at the bottom of slide 2 there, just reiterating that it was in 1998 the idea of a structural classification, or a means of categorizing homes based on the age of the beds, the standards to which they were built, that came about in 1998.

And the structural classification is captured on slide 26. We'll refer to it a couple of times throughout the deck. But internal to the Ministry and the sector, you will always hear reference to, you know, "A, B, C, D beds" or what we call "new beds".

And that is just capturing the

structural classification as captured here, slide 26, and tied directly to the standard to which the beds in that particular home was built.

It is perhaps worth saying here, and we can jump back to slide 3, we have a mixture in the system. So homes aren't necessarily a single structural classification. There are homes where you do have a mixture.

So depending on when the home was originally built, if there was any work to upgrade beds, if they added any new beds at a certain point in history, we absolutely have homes where you have a mixture of beds based on structural classification.

Slide 3 gets into the idea of design standards. So design standards, not new to long-term care, first introduced through the nursing home dating back to 1972. So back to when we had nursing homes, municipal homes for the aged and charitable homes.

So we had the Nursing Homes Act covering nursing homes during that period. So the design of design standards for nursing homes certainly has been in existence for a while.

The change that came about in 1999 is

very important historically as it relates to the development program. Because that is really the first time that the Ministry had released what I call "standard base policy design standards" -- and these are minimum design standards -- in a document at the time that was referred to as the Long-Term Care Facility Design Manual.

So this is really a significant change and shift. Because it is through this policy-based minimum design standard that the Ministry started to tie funding, in terms of capital funding, tie that funding to a base set of design standards created in policy, not in legislation, and applicable to all long-term care homes.

So not what was previously referred to as nursing homes or municipal homes, etcetera. So that is a significant point in our history.

Another major change that happened at that time was the introduction of what we call "RHAs", or "Resident Home Areas".

So I think as you continue to dig deep into LTC you will hear quite a bit about RHAs. And RHAs essentially are contained units that are supposed to support and are captured as one of our standards to support a more home-like environment

for residents, where you limit the number of people who are kind of sharing, sharing certain base resources and facilities.

It also facilitates and helps homes and operators identify, organize and staff the different parts of the homes. So the idea of creating an RHA was introduced when these base policy standards, minimum design standards, came about. And even to this day, the maximum number of residents per RHA as per our standards is 32.

I underscore the word "maximum" here because there is certainly flexibility within the Ministry as part of our review. And we encourage it where it makes sense to facilitate having fewer people, even less people in one resident home area.

But our base standard says no more than 32 residents to one resident home area, and no more than a maximum of two persons to one room.

So again, another important detail, because prior to this standard being put into place through policy in 1999, there were several homes in existence -- some of them still exist today because they have not redeveloped -- where you would have multiple people to a room.

But as of 1999, any one building from

that time onwards would have been expected and certainly have been required to build to our standards as a base. And that is the only way they would receive additional funding or the necessary construction funding from the Ministry.

So in 1999, that major change came about, and about ten years later, the Ministry continued in its efforts to update and be responsive to changes happening in the system.

And so ten years later, the design standards were refreshed and as part of what is now called the Long-Term Care Home Design Manual.

So, again, part of the change here is really referring to the long-term care home, coming out of verbiage that refers to long-term care as a facility, more in line and keeping with the legislation that came to fruition the following year.

But in 2009 the Long-Term Care Home Design Manual was actually launched, and featured kind of refreshed standards. Jumping to 2015, we have since built on the 2009 version of the design manual. And we currently have now what is called the Long-Term Care Home Design Manual that was created back in 2015.

The 2015 design manual, with the standards as they're currently captured, serves as the current manual and the current set of standards for homes.

So anyone building since 2015 would be required to meet the standards under the 2015 design manual and 2015 standards to this day.

I should note here that the Ministry is undertaking, as part of broader efforts which I'll talk about a bit later, to modernize our development program.

We are undertaking quite a bit of work with Infrastructure Ontario to look at our design standards. And this has been in the works even prior to the pandemic. As part of modernizing the development program, we had always intended to take a look at the design standards and the design manual.

I think the experience of the pandemic has simply reinforced how critical a need there is at this point to revisit those standards.

One thing to note also on --

COMMISSIONER MARROCCO: Can you just help me with, why Infrastructure Ontario? Because it's a building of some kind? Is that the idea

or...

MS. HYLTON: No. Infrastructure Ontario is a Crown agency that, under the Ministry of Infrastructure, they are tasked with supporting the government realize infrastructure goals.

So historically, Infrastructure Ontario has worked on both linear and vertical infrastructure across the Province.

I can tell you that prior to 2019 they weren't as heavily involved in long-term care. They have been more involved in what I would call "bigger infrastructure projects". So the building of hospitals, for example, certainly, you know, other endeavors related to major infrastructure across the Province.

Since 2018, 2019, especially 2019, we have partnered with IO, their expertise from an infrastructure perspective, construction perspective. We thought as a Ministry and certainly under government's direction very much relevant for the kind of mass development that we would like to see in long-term care.

COMMISSIONER MARROCCO: So when somebody wants to built a facility, that involves Infrastructure Ontario, Ministry of Health, and the

Ministry of Long-Term Care? So you actually have three -- am I right that there are then three ministries that are involved with that project?

MS. HYLTON: No, not necessarily. So a typical LTC development project, the two main parties tend to be the operator/developer, oftentimes it's operators who are developers as well, working directly with the Ministry of Long-Term Care.

The work I'm referring to with Infrastructure Ontario is the Ministry strategic policy work.

The Ministry has liaised and engaged with Infrastructure Ontario on directly to support strategic initiatives, policy development and more, I would call it foundational changes to the program, that will benefit anyone coming through the program.

So generally speaking, the relationship is between the operator/developer and the Ministry directly. Infrastructure's work so far has really been to support and advise the Ministry directly on broader strategic changes for the program.

Now I should say, Commissioner, that we do have a handful of projects where Infrastructure

Ontario is involved; they are quite recent. I will certainly speak to them a little bit later, but announced within the last three months by the government.

And that is where we are leveraging hospital lands to accelerate the development of LTC homes in the GTA, and Infrastructure Ontario is very much involved there and helping to project manage. But that is really specific to that new project.

Typical LTC development, the operators are leading the charge, they are responsible for getting their ducks in a row as best they can and leveraging the resources from government to get it done.

COMMISSIONER MARROCCO: So if I understand correctly, one of the projects to find land on which to construct long-term care homes involves getting at the land that hospitals own in the community?

So that means then to the extent you're able to do that, the long-term care homes will definitely be in the vicinity of hospitals?

MS. HYLTON: Yes.

COMMISSIONER MARROCCO: And is there

opposition from the hospitals to parting with land where presumably -- I mean, I don't know, or is that not an issue?

MS. HYLTON: I would say the support from hospitals, given how much they depend on long-term care, far outweighs any concerns in terms of how to use the land.

Over 50 percent on average, in terms of ALC, alternative level care patients, in hospitals -- so those are waiting in hospital that could be cared for elsewhere -- over 50 percent of those patients for the last few years have actually been LTC patients who are waiting to get into a long-term care home.

So many of our hospitals, especially more urban areas, they are very much inclined to facilitating, supporting or building their own long-term care homes.

There's certainly an understanding that movement and continuing to facilitate flow in the system is critical. So I think that is very much of importance to the hospitals.

I should also say one of the things that we -- we've seen it through the pandemic experience, the demographics are so different in

terms of the LTC population at this point, that they are requiring more and more medically complex levels of care.

So perhaps not acute care level, but certainly closer to the hospital grade type of care you would expect to receive, as opposed to what would have been LTC 20 or 30 years ago.

So we're seeing more and more partnerships with hospitals. Some of them organic, some of them through management contracts, as I had explained, coming out of the pandemic.

And now even more so with hospitals saying, we're interested in building long-term care. And we're seeing applications even outside of this accelerated program from hospitals.

COMMISSIONER MARROCCO: Right. So let me sort of finish it off.

As far as you know, I appreciate you're here to do what you're doing, and I won't -- you know, you're not the last spokesman for the government on the issue.

But it does appear then that there is some consensus that hospitals have a role to play in the development of these long-term care facilities as far as Ministry of Health is

concerned and Ministry of Long-Term Care is concerned?

MS. HYLTON: I would say, yes, Commissioner. I think even outside of bricks and mortar, or even building their own long-term care homes, the evolution we're seeing in the healthcare system coming out of the Ministry of Health, so along the lines of Ontario Health, building up Ontario Health teams under the regions, it further underscores that kind of integration that is necessary to move the sector along.

And so that, that linkage between acute care hospitals and long-term care, I think is growing almost by the day, given how close the two sectors need to work together to facilitate flow and the best outcomes for our residents.

We do know, depending on where the home is located, oftentimes, and this is part of regular business, LTC residents are transported to hospital for services and then transported back to their long-term care homes.

So we see that sometimes with dialysis patients, for example. Some homes have the capacity to provide it. Others have to actually maintain a relationship with the hospitals, send

their residents there regularly and they come back to the home.

COMMISSIONER MARROCCO: Usually via the emergency department, at least based on my experience.

MS. HYLTON: Yes. Unfortunately, sometimes through emergency calls. I do know that there are scheduled means of transportation paid for under the operations, under the operations division, but it doesn't always happen on the side of the emergency realm. Sometimes that's the case.

COMMISSIONER MARROCCO: Okay, thank you.

MS. HYLTON: So just to close off on slide 4 here, a couple of things I wanted to highlight. The Long-Term Care Home Design Manual, the 2015 manual, which is the current manual, speaks to a host of design objectives, as well as design standards.

Just to give you a flavour of design objectives, design standards, the design objectives as they're captured now in the 2015 manual speak to, again, self-contained units.

These RHAs to support privacy, to create a home-like environment. And also to

support resident safety and comfort, in particular. So those are some of the objectives captured as part of the 2015 design manual.

Another example of a design standard that is in place currently speaks to minimum space requirements, either for shared spaces, like a dining space, a dining room, or even minimum size requirements as it relates to individual resident rooms and space allotted to each resident.

What can they expect coming in? So, again, these are minimum standards. We do have operators who have built beyond the standards, and that is certainly supported, encouraged by the Ministry, but these are set as minimum and base standards.

So our expectation is that operators are building to a minimum, to the design standards and the objectives outlined in the current manual.

I did speak a bit about the self-contained RHAs and the continued work with Infrastructure Ontario.

The 2015 design manual and standards, as I mentioned, a few years old at this point, certainly being looked at by the Ministry with support from IO as part of their broader strategic

work and advice being provided for, and that is live; that is actually happening now.

We are leveraging anecdotal information coming in from the sector, having lived through the Wave 1 of the pandemic, as well as tapping experts.

So looking at information and advice coming in by way of research, paying attention and looking at what other jurisdictions are doing, as well as leveraging professionals such as architects and getting their advice in terms of recommendations for changes as we continue to look at the standards and the manual as a whole.

COMMISSIONER KITTS: Can I just ask a question about the 2015?

So are all the homes that meet the 2015 long-term care design standards, are they all new builds? Or are also some retrofits that would then meet the standards, and how many of them are there?

MS. HYLTON: So we do have mixtures. So we do have homes where there are beds within the homes that meet the 2015 design standards, because they perhaps would have built at a later date and may have some older capacity embedded within the home; so we do have a mix.

I can give you some figures here based

on the most recent check; we did this on Thursday of last week.

We have 39,508 new beds. So beds that are classified as new and therefore meeting -- I just want to make sure I have the right standards here.

Beds that comply with the 2009 or 2015 design manual would be classified as "new"; we have 6,986 beds considered "A beds". So "new" would be your highest, your most recent and essentially the best of the crop at this point, given how recently they were built.

6,986 "A beds".

5,628 "B beds".

24,425 "C beds".

And the oldest of the lot would be considered "upgraded D beds". So the total there is 1,346 upgraded D beds.

And then we also have 270, what we call "ELDCAP beds". These are beds that are embedded in hospitals in the north, and they tend to be built closer to hospital grade.

And they're embedded in hospitals by virtue of sustainability and being part of an existing organization, likely in a more rural area

up north.

So not necessarily a need for a stand-alone long-term care home, or even in terms of operational feasibility, it makes sense to partner with an existing hospital.

COMMISSIONER KITTS: Of the existing homes then, I understand there's about almost 80,000 beds in total?

MS. HYLTON: Yes.

COMMISSIONER KITTS: Half of them would be classified as new, which means that they're single or double room?

MS. HYLTON: Single or double, yes. So either private, meaning one person. Or, we do have semi-private builds. So the preferred accommodation in the Ministry we refer to preferred or basic.

Preferred can either be private, one-person, or semi-private; two people sharing a washroom but in their own rooms.

And then we also have basic rooms, where you have two people sharing a room and sharing a washroom. So those are your --

COMMISSIONER KITTS: Then is it fair to say that the B, C, D beds are three- or four-to a

room?

MS. HYLTON: I would say -- we cannot say that unequivocally. Because you do have some of the older beds, potentially the B's and even in some of the A's where you would have had operators build beyond any base standard and build with more space.

It is more likely that where you see what we call "ward rooms", where you have three or more people, more than three or four people in a room, they are more likely to be the oldest beds in the system. So C's or D's.

COMMISSIONER MARROCCO: When you say "new", that could be anywhere from 2009 to 2019 or whatever.

MS. HYLTON: I am just triple checking my definition here. New beds are defined as beds that comply with the '99 design manual; 2002 long-term care retrofit program we had to upgrade certain D beds as well as our 2009 and beyond, so our current design standards.

So we do have beds essentially that would have met the '99 standard completely. And anything beyond that coming up to 2015, those would be counted as new.

The A beds are considered to be beds that substantially complied with the 1999 design standard. And that --

COMMISSIONER KITTS: So is it fair to say that we haven't built many, if any, new homes and beds since 2015? So therefore, 2015 standards are not likely to be found in most homes?

MS. HYLTON: I would say there haven't been many beds built since 2015, correct.

The other piece that I think is critical to mention here, we haven't had since many years since 2015 or many opportunities with new beds on the table to facilitate the building of new beds.

So, yes, the idea of redevelopment has been around for years, and I'll get into the history there. But we also know there's been many few opportunities to built net new because that comes about once every few years depending on the direction of the government.

So since the 2015 standards have come about, there have been very few beds built to that design standard. So I think that's fair and we actually notice this quite a bit throughout the pandemic.

While it is important, yes, and critical to acknowledge that there were severe outbreaks in older homes, we do know that many, many of our homes are simply not built even to our current design standard.

So there's quite a bit of capacity there that is either very old, maybe dating back to the 1970s at this point, with minor upgrades to kind of bring them to a certain standard. And we do have some that are in that middle range, so maybe 25, 30 years old at this point. But you would have fewer that are closer to 2015. That's absolutely correct.

COMMISSIONER KITTS: Thank you.

MS. HYLTON: So slide 5 takes us to some of the challenges with these older homes. The work on the part of the Ministry over the last few years, especially as we look at regular efforts to refresh, to recalibrate the design, the design standards, there are a few things that continue to percolate: Lack of privacy and more institutional setting rather than a home-like design, which we see a lot with older homes built more like an older hospital as opposed to a long-term care home.

Because prior to that, we were talking

about facilities quite a bit, as opposed to someone's home. Very small room sizes, so limitations for folks who need any kind of support. So a wheelchair, for example, you know, limitations in terms of things like turning radius.

Washrooms not necessarily fully accessible. If they were built 30 years ago, our standards from an accessibility perspective very different at this point. Cramped spaces, shared spaces. We noticed that in the dining rooms in these older homes, very limited activity space as well.

Access to light. So access to windows, air-conditioning, continues to be an issue. And from certainly from my and my team's observation, all of these things, you put them together, they can also serve to contribute to limited infection prevention and control within the homes.

So if you are dealing with multiple people to a room, if you are dealing with tighter spaces, all of these things, as you can imagine, can certainly impact the ability for infection prevention and control measures within the home.

Over the years, the successive governments have tried to inveigle the sector to

redevelop, and to support the sector as best they can by providing incentives, issuing and creating new programs.

And slide 6 gives you a bit of a walk down memory lane in terms of the programs to date from a redevelopment perspective. So if we can jump to slide 6.

You'll see back in 1998, very much a push on the part of the government to facilitate the redevelopment of these older beds, the oldest in the system, which is what we would have call the "D beds".

At that time about 16,000 beds structurally classified as "D", which were not even meeting the 1972 Act criteria, would have been identified for redevelopment.

Jumping to 2007, and to be fair, there was movement between 1998 and 2007. The government of the day had identified, I think, realized the limited uptake in terms of getting all 16,000 of those D beds to be fully redeveloped to new.

And so there was a program put in place at that time to facilitate upgrading these D's, which is why we now have what we call "upgraded D's" in the system.

So these D's are what I would call "somewhat refreshed". They are not, or they were at that time, starting back in 2002, so to get them closer to base standards at the time.

2007, I think was a turning point in long-term care development. This is when perhaps the most powerful statement from government was made at that time in history around redeveloping older capacity.

And this is when government pointed out the need for beyond D's, but C's and B's, so coming a little bit closer for all of these beds to be redeveloped.

In and around this time we knew we were tracking to a new legislation to come into force, and it eventually came into force in 2010. But going back to 2007, you would see a declaration of a need to redevelop over 35,000 B's, C's, and upgraded D's at that time in the system.

COMMISSIONER MARROCCO: An upgraded D was likely built -- it was upgraded because it didn't meet the 1972 Nursing Home Act regulation; what does that mean? Like the 1972 Nursing Home Act was one thing, but when would that regulation have been in effect? In '72?

MS. HYLTON: Yes, it would have been in effect in '72, but I think to get at your question, if I'm understanding correctly, these homes or structures would have been in place likely prior to that. So prior to 1972.

COMMISSIONER MARROCCO: Right. So "upgraded D" is a bed that has been upgraded, but within existence prior to 1972?

MS. HYLTON: Yes.

COMMISSIONER KITTS: Does "upgraded" or "redeveloped", does it indicate the number of beds in a room, or is it something different? Because if they're upgraded or redeveloped since maybe 2007 or -- are they down to two beds or one bed, or are they still -- could be three or four?

MS. HYLTON: Upgraded D's still could be three or four.

COMMISSIONER KITTS: What about B's and C's?

MS. HYLTON: So we do know that we have ward room style. So three or four across B's and C's. But I should underscore, yes, they could absolutely have ward rooms. We have that captured for each home. We do have that listed now as we've received kind of refreshed information from

operators.

So, yes, you could have a mixture, or you could have a home that is a B home, that has ward rooms. Whereas, you could have a B home across the street that doesn't have more than two people to a room. So it really is a mixture and dependent on the home.

COMMISSIONER KITTS: Do you have a breakdown then of how many ward beds there are versus private or semi-private?

MS. HYLTON: Yes.

COMMISSIONER KITTS: I don't expect you to have it here, but for us.

MS. HYLTON: Absolutely, yes, we can share that after.

COMMISSIONER KITTS: Thank you.

MS. HYLTON: No problem.

So going back to slide 6. 2007, of course, an important turning point. Very little traction, I would say from the sector between 2007 and 2014.

So while there was certainly the push to redevelop, folks were -- the sector, I think, started to really understand and appreciate the need to come up to a certain standard, as well as

the changes under the fire code and getting an appreciation, I think back in 2010 now, for the need to ensure that their beds or their homes are sprinklered.

The uptake was still rather limited. And so in 2014, the government of the day made a change to funding. That is, the construction funding subsidy. That is the funding that would be provided by government to an operator who has redeveloped. So made a change to funding as part of, or perhaps the major incentive to try to get redevelopment off the ground.

So that happened in 2014 and essentially the program was re-branded as the Enhanced Long-Term Care Home Renewal Strategy.

The goal there was to redevelop the remaining 30,000 older beds by 2025. So that was in 2014.

Fast forward another four years to 2018. Again, limited uptake by the sector. So we did see some movement, but there have been a few things that I would say have plagued long-term care redevelopment.

So funding, as I mentioned, and that changed in 2014, significant. So the sector has

been saying for years the construction funding subsidy is not sufficient. The quantum, as well as the approach to funding, where government only provides funding after an operator has built the building, and has the first resident through the doors.

That is when the construction funding amount is flowed, or funding is flowed to the operator. So we've heard for years that that was not sufficient, despite changes and site increases.

We've also heard that limitations in terms of access to new beds was certainly plaguing the sector and impacting operators as they made their decisions to redevelop.

For many of them, their current bed count did not make the projects financially viable. And so not having new beds on the table for an extended period of time, there have been years where there have been no new beds to be received or allocated.

And so folks were just expected to redevelop existing capacity, and many of them said simply wasn't financially viable.

Thirdly, I would note that when the legislation came into force in 2010, a decision

that was made at that point allowed for existing homes.

So, Commissioner Marrocco, going back to your question about D beds, a decision was made to allow for new licenses to be issued given the introduction of legislation and it gave homes anywhere between four and 25 years from 2010, essentially, where they could continue to operate beds.

So the incentive, the impetus wasn't necessarily there for some of these older homes because they now held a licence that was good for another 10, 15, 20 years perhaps.

Some of them fewer, but still, if you think of some of the B's and C's, they were able to secure licences that allowed for them to continue to exist in their current state and continue to receive operating funding.

So those are some of the reasons that we certainly identified within the Ministry as impacting progress on development. And so to close off slide 6 and move to slide 7.

In 2018, this government, when they came into office, they announced the long-term care home development program. And the focus there was

to facilitate not only building new, but also modernizing B's, C's, and D's, so very similar to the 2014 commitment.

But as you'll see through our modernization work, quite a bit of effort to look at addressing the issues that I've identified, and being a bit more responsive to the sector, given what they've said for the last few years and experienced thus far.

Slide 7 speaks to the other important part of development. So coming out of redevelopment, there continues to be this need for net new capacity as well. So as per the first bullet, increased demand, change in demographics.

So there's been quite an evolution over the last 20 years as it relates to who is moving into the long-term care sector.

I can tell you even personally, prior to coming into government I worked in healthcare and I've seen quite a shift in the last ten years in terms of the nature of the residents coming into LTC; quite a bit more complex, medically speaking.

Most LTC residents now across the Province are living with some form of dementia, about 70 percent of our residents. And so the

requirements, the expectations of homes, are certainly evolving.

And, again, the size of homes, simply not financially viable. So when we look at wanting to redevelop beds, we have many smaller homes across the Province, especially in more rural areas as you go a bit further north. They may have a handful of beds.

Based on the Ministry's capital and/or offers in funding, it may not be financially viable to redevelop a home with less than a 128 beds. And we know there are many homes that are much smaller than that in the province.

To respond to that on slide 8. Again, like redevelopment, a listing of efforts dating back to 1998 to try to incent and support the building of net new capacity.

I will say that the most significant efforts, as captured here, you would see date back to 1998. So beyond 2018, the biggest commitment to new beds dates all the way back to 1998. So quite a bit of time where 20,000 beds were committed to and the majority of those beds were built and did come on stream.

So, again, dating back to 1998, and

that's where, Commissioner Kitts, many of those new beds would have come out of that batch.

So that 20,000 new beds program dating back to 1998, I call the next two smaller programs. You'll see a handful of beds through the Emergency Department Action Plan Program, a handful of beds coming out of LHINs directly, so less than 300.

2017 was a turning point. That was the first time since 1998 that we had a significant number of new beds put on the table. And that was to the tune of 5,000 beds. And that commitment was made in 2017 by the previous government.

When this government came into office in 2018, to some extent, they recommitted to developing 5,000, but also committed to tripling that number. So moving forward with 15,000 beds, initially that was the commitment. 15,000 beds in five years, that was the commitment made in 2018, 15,000 new beds.

And government is continuing to monitor and to evolve as the needs, I think, become a bit more apparent. So they had also back in 2018 spoke of building 30,000 new in a decade. So 15,000 in five; 30,000 new in a decade.

COMMISSIONER MARROCCO: But there was

not much of a takeup to the previous attempts. Why did they think there would be a takeup this time?

MS. HYLTON: So back in 1998, certainly there was strong uptake. So in 1998, about 19,000 beds were actually built.

But coming down the line here, 2017, there was strong interest on the part of the sector. The Ministry received just over 20,000 beds, so applications for 20,000 beds, when 5,000 were on the table under the previous government. And that was within a very short window.

But to answer your question, part of what this government committed to when they came into office was to look at ways of modernizing the development program to address the barriers.

So just as you've identified, yes, the uptake has either been limited, or what we've seen from our seats within the Ministry is that while folks might raise their hands, the projects may not move forward.

And so really wanting to address the barriers, and that is all coupled with the efforts of government to modernize the program.

So looking at items like funding; looking at just addressing other barriers like

access to land; just trying to figure out what is causing delays for all of the projects; and really looking at ways with Infrastructure Ontario's help to address those barriers.

So slide 10 kind of brings us closer to present day and speaks to the work on the part of the Ministry, my division in particular. And again, essentially our bread and butter here, which is to modernize our development program and facilitate the redevelopment of older beds and building of new beds.

So to support that, the Ministry released an application form almost one year ago. So building on the application form from 2017, 2018, that was coupled with the 5,000 commitment.

In 2019, October 1st, the Ministry launched an application, we call it the "Application for Long-Term Care Home Development".

This is the means through which any operator interested in building new or redeveloping older capacity would indicate and communicate that to the Ministry.

So there is a detailed application form. As part of the form we have explained government priorities; those are captured on slides

11 and 12 here. Priorities from an objectives perspective as well as our policy priorities for the program.

And so this is the opportunity and that application form is open until September 25th of this year.

We have extended the application deadline, I think it's important to note this here. We have extended the application deadline a couple of times. Initially, when the application went live in October, the deadline was January 2020. That was an extended to March 2020.

And then, given the reality of the pandemic, what we knew the sector was dealing with, and really limited time for the sector to be able to complete an application or focus on development when they were just trying to take care of residents.

So we took a step back and we allowed for quite a bit more time, and so the sector now has a deadline of December 25, 2020, to submit applications.

Slides 11 and 12, give you, as I said, a flavour of government's priorities. And we were quite transparent in the application form, wanting

to underscore for the sector what government was looking for.

That's always a question we get and we know that elected officials receive -- what exactly do you want in terms of these long-term care development applications? What are you looking to achieve?

And we've identified integration and partnership, so again back to the question around the role of hospitals. So we are certainly encouraging partnerships of all kind, in keeping with the evolution within the Ministry of Health as a whole and health sector as a whole.

Innovation, so, again, looking at leveraging technology, digitizing the sector. I can tell you that long-term care is certainly a sector in dire need of optimization from a technology perspective.

And we have been very clear that innovation, as it relates to how they intend to provide care, what homes would look like, how they are digitized, how they are capitalizing on technology -- very critical and captured as an objective in our application.

Licensee diversification is another

one. This came about really with an eye for staying true to the public interest test from a licensing perspective that I spoke to on Friday. Wanting to ensure competition within the sector, fairness in terms of access.

Wanting to limit the potential of any one entity or handful of entities monopolizing the system in any way, and wanting to maintain balance in the system between for-profit and not-for-profit entities. So licensing diversification was captured as important.

We also know that there have been a host of cultural, linguistic, I would say other, even educational institutions, who have shown interest in long-term care, but have felt historically that they haven't had a window into the sector. And so through our current application form, we've tried to open that door and make that quite clear.

Slide 12 speaks to policy priorities. I should note that the objectives, the policy priorities, were tabled, consulted on with the sector dating back to the winter of 2018. So months before the application was actually launched.

And so these are very much informed by the sector, not just the long-term care sector, the health sector as a whole. And also, you know, wanting to be reflective of what we have been hearing from families and residents.

So slide 12 just gives you a sense of our policy priorities, so we speak to flexible care structures.

So again, looking at the change in demographics in long-term care, wanting to ensure that given what LTC residents present with -- they're more physically dependent; many of them are cognitively impaired -- wanting to ensure that our care structures within long-term care can actually meet their needs.

I hear an anecdote provided quite often. Years ago, long-term care residents were driving to homes and would walk across to the Tim Horton's if they wanted. The vast majority of LTC residents are not in a capacity to do that. And so more flexible care structures are needed.

Expanding our models of care are also critical. And, again, looking at providing care for more specialized groups within LTC.

So linguistic cultural groups in

particular. We know that if most people are living with dementia, they are likely to revert to their mother tongue, and for many residents their mother tongue is not English.

So making sure that our models of care are expanded and broad enough to provide more specialized services has certainly been critical for us from a development perspective.

The capacity to care for LTC residents and to facilitate flow across the system, also a policy priority for this government. So really looking at opportunities to facilitate more of a seamless flow for residents.

So, for example, the building of campuses of care, where can we link retirement homes or assisted living with long-term care. Facilitate smoother movement for residents, so they have a better experience and limit perhaps the need to return home in between living within any of these settings.

That's part of what is being captured here in terms of increased care capacity.

COMMISSIONER MARROCCO: How do I read that? These are things you're looking at?

THE WITNESS: These are things we have

identified as priorities, and have asked applicants as they are putting together their applications to describe and explain to us how they are poised, or their applications are poised to meet these priorities and objectives.

COMMISSIONER MARROCCO: And are these developers who are going to build new facilities?

MS. HYLTON: New, and to redevelop the older facilities.

COMMISSIONER MARROCCO: But did I understand earlier that there's not been much of a takeup to this point, as far as new structures are concerned?

MS. HYLTON: We've had quite a bit of interest in terms of applications. So dating back to 2018, when we had 5,000 beds on the table, we received applications to the tune of over 20,000 beds, when only 5,000 beds were on the table.

We currently have just about 200 applications in to the Ministry, covering -- and I'm going to ask Neil to give me the accurate data points here -- but we have just about 200 applications in, covering just over 20,000 beds, a mixture of redevelopment and new beds being applied for through the current application form.

Neil, you can give me the exact figures if you have them at your fingertips. But I would say the interest is there. What we've seen, Commissioners, limited movement, depending on the project through to fruition. So getting shovels in the ground. But the interest absolutely is there. I would say certainly since -- especially since 2018, 2019, the interest is there.

COMMISSIONER MARROCCO: So it's how many beds to limit, in terms of development, is how many beds the Ministry puts on the table?

MS. HYLTON: Yes. How many beds do we essentially have available? So currently we have -- and I think these details are captured a little later in this deck.

We have already allocated just about 9,000 new beds already, and approved just shy of 12,000 for redevelopment. So this is dating back to 2018.

So we currently have 9,000 new beds allocated. So that means the system is aware individual operators have received letters from the Minister saying, we have allocated to the tune of 9,000 -- just shy of 9,000 beds. And that goes across, what I would call your routine development

applications, as well as those hospital-based ones I mentioned earlier.

COMMISSIONER MARROCCO: Yes.

COMMISSIONER KITTS: Are the developers a mixture of hospitals and private sector? And I guess the question is sort of continuing from last time is, so now that they've gotten the approval for 9,000 beds, how long will it take to get those open and in operation?

MS. HYLTON: So I'll answer the first question first. Absolutely a mixture in terms of applicants. So we have hospitals, we have existing operators. Some of those are for-profit operators, we have not-for-profit operators. Under not-for-profit, we also have municipalities.

Under the legislation, certain municipalities, the southern tier, kind of the larger municipalities are actually required under the legislation to operate at least one long-term care home. So many of them would like to redevelop their beds, or need to. Or even want to expand their footprint. So we absolutely have a mixture.

Then we have net new entities. I can tell you many of the newer entities that have applied within the last two years, tend to be

cultural organizations who are community-based and wanting to get into long-term care. Really, with an eye for providing a service that historically they have felt has not been available to their communities, in their mother tongue or in keeping with cultural preferences, so we absolutely have a mixture.

I do know, though, from looking at the latest cut of the data, the majority of the beds requested or applied for to date, have actually come from the for-profit arm of the sector. So they are still kind of the lion share in terms of even asking for beds.

To your second question, in and around timing. We know that on average it takes about -- that is a actually captured on the next slide, slide 13. It takes about 36 months to see a project go from having land secured, funding identified, they would have identified a lender, really going from hitting those two milestones, those are critical, we've come to learn through the development process, to actually being able to turnkey.

So you could say on average, about a four-year turn around period. And depending on the

operator, that four-year period could be a lot longer if they're not able to secure some basics, like land or funding.

COMMISSIONER KITTS: So if I read that correctly then, there's about 9,000 beds that are -- could be up and running within four years. The rest of the 30,000 have yet to be allocated?

MS. HYLTON: Yes. So the rest of the 30,000 yet to be allocated. That is part of what government will have to pay attention to as they look at the applications we now have, since October 1st last year.

With the 9,000 beds that have been allocated, they're all at different stages of the process. So we have beds that are very much tracking and look very likely to be ready to be opened, I would say within the next four or five years. And some that we know will take a bit longer.

We've already heard from some organizations or municipalities that it will take them a bit of time to actually get the beds built. So there is definitely a range there. But on average, and part of what the Ministry is trying to do is, keep operators feet to the fire to build to

our standards and build as quickly as they can.

COMMISSIONER KITTS: So the next 21,000 then, are going to be beyond five years.

MS. HYLTON: Yes. So the public commitment there is 30,000 over a decade.

COMMISSIONER MARROCCO: Commissioner Coke.

COMMISSIONER COKE: I'm just wondering, the homes that we heard about in the last few months that are sort of fast tracked and they're going to be ready by next year.

I'm just trying to understand what is the difference in the process there that is enabling those to go to quicker rate, or has the lead time before the announcement been a long time?

MS. HYLTON: No, that's actually a great question. Very different process.

A couple of things that have really resulted in the acceleration that we're seeing on those files; number one, it takes the issue of land off the table. So because those projects, they're tied to three hospitals: Trillium Hospital in Mississauga; we have Humber in Toronto; and Lakeridge in Ajax. The idea here is to leverage existing hospital-owned lands.

So that is one of the major hurdles that we have found that contributes to the potential lag we're seeing in terms of beds being developed. So the accelerated build program takes that off the table straight off the bat. That's a critical piece.

I think the other change we're seeing there is the role of Infrastructure Ontario in terms of working with the operator. In this case, it will be the hospitals, or whomever they decide eventually to be the operator. But they're the ones with the allocation of beds.

So Infrastructure Ontario -- and this is very much a pilot -- stepping in, facilitating, I would say an expedited procurement process, and leveraging modular design. So kind of modular building of different parts of the home that will then be transported to a site and put together rather more quickly. Very different from what a typical LTC operator on their own would be doing to move things ahead.

And there is a critical piece with that, as well; change in funding. So as part of this pilot, Commissioner Coke, the Province is looking at a different funding model, very

different from our typical LTC funding.

So more along the lines of funding, funding these projects fully, and providing the money a lot earlier in the process than it is for typical LTC development.

So I think all of those are ingredients that make for the potential acceleration that we're certainly hoping for through the pilot.

COMMISSIONER COKE: So this pilot, I'm just wondering, is it just those three that you've mentioned, or is there the potential to have more in this frame, which obviously can deliver a lot quicker than the normal process? Is there more lined up? Or what's the potential expansion of that?

MS. HYLTON: So I think the work that's happening right now, because this is still very new, I would say, this could be three and a half months old at this point. There's a lot of learning happening even on a daily basis. So, you know, very much a public commitment to doing this in an accelerated way, and have these beds built and opened by next year.

Part of what Infrastructure Ontario, the hospitals and the Ministry is learning through

the process is: Can the market actually deliver? Can developers actually build these homes within this timeframe?

So I think we are all very much keen in wanting to support and facilitate getting this done, but there's the reality that operators have told us about historically: Access to trades; the cost of paying certain trades, depending on where you're located in the province; municipal approvals.

Can the accelerated build pilot overcome these challenges and actually meet the deadline of building within such a very short timeframe is to be seen.

I think what government is doing here is really trying to almost push up hill, given what we have lived with other projects.

I know I haven't mentioned municipal approvals prior to now, but that is a critical piece that we know has slowed down many of our typical LTC projects. And so the accelerated build projects are not immune. They're being built in Durham region, in Peel and in Toronto. And so municipal approval is another key piece.

So, really, looking at the steps being

taken now to accelerate all of these, all of these things is critical. [redacted]

Government stepping in and testing the waters with leveraging internal tools to move these pilot builds forward. So all of that, I think will contribute to a broader review, and the potential for this program growing in the future.

COMMISSIONER MARROCCO: When you say "looking at", does that mean they're considering it?

MS. HYLTON: The use of these tools, considering --

COMMISSIONER MARROCCO: Well, for example, the expedited approvals. When you say they're looking at that, what does that mean?

MS. HYLTON: So they have gone ahead, government has made the decision to leverage internal tools like Minister's Zoning Orders for these particular sites. So for these accelerated build projects as an example.

Historically, we've had very few Minister's Zoning Orders tied to long-term care development as a whole. But one of the learnings beyond even the accelerated build projects -- and we have been discussing this internally quite a bit -- is really how else, what other projects could benefit from this tool if government decides to go ahead with using it?

The Minister Zoning Order is really a tool that is left to the discretion of the Minister of Municipal Affairs and Housing. So it is outside the realm of the Minister of Long-Term Care, in particular. But government is working collaboratively or trying to work together, certainly with different ministries to expedite development.

So to answer your question, I'm aware that Minister's Zoning Orders have been utilized, or have been leveraged certainly for the accelerated build projects, to try to move those forward and kind of expedite municipal approvals to some extent.

COMMISSIONER MARROCCO: So when you say the Ministry of Long-Term Care is looking at Minister's Zoning Orders, they're looking at

something that's outside their area of control?

MS. HYLTON: Yes. Yes.

COMMISSIONER MARROCCO: So it's dependent on the Minister of Municipal Affairs, or whatever they call the Minister, it's incumbent on that. You have to hope that Minister thinks it's a good idea to issue the order.

MS. HYLTON: Yes. So that is a tool, for example, Minister Zoning Orders that is fully within the right of the Minister of Municipal Affairs and Housing. And it really is up to him, Minister Clark, and it's at his discretion that that tool is used.

We have seen significant movement, especially within the last few months with these accelerated build projects. And I do know one of the other projects I'll talk about outside of our routine development -- that's what we call our "surplus lands file" internally -- also movement on the part of that Minister and that Ministry, to leverage that tool.

Routine LTC development projects, this is really, I think, the opportunity for Ministry of Long-Term Care, municipalities, as well as operators, to do our best to get the attention of

the Minister of Municipal Affairs and Housing. And where appropriate, try to leverage that tools more than it has been historically. But, yes, it is outside of our realm and our Minister's realm.

So slide 13, if I could just turn our attention back to the deck. This gives you a bit of a flavour in terms of the types of projects that are being applied for and that we facilitate.

We have stand-alone projects so that teal circle number one is kind of your typical net new builds, where all beds are brand new, did not exist in the system before. So we have stand-alone net new projects.

We have hybrid projects. And that yellow circle is purposely bigger, because the majority of the projects being applied for, or going through our internal process at this point, are what we would consider hybrid. So a mixture of new beds. So beds being allocated out of the new beds available and existing beds to be redeveloped.

So back to my comments earlier on financial viability. Lots of the operators, we know many operators in the system are really looking to redevelop and expand their footprint. And so we see that come through in terms of the

nature of the applications.

And then thirdly, we do have some operators who are looking simply to redevelop their existing capacity. Fewer and fewer of those I've certainly noticed within the last year. Most operators, if they're planning to stay in the business, they're looking to grow their footprint; or coming net new.

A host of factors, as I mentioned: Size, scope of the project, that might impact timing for completion.

I did mention that 36-month window, which is the average time we're seeing once an operator is able to secure funding, and has a site that is suitable to move the project forward.

When these projects are completed, it is at that point that we actually issue the licence. You may recall me mentioning on Friday that we issue, what I call a "promise of a license", or a licence undertaking earlier in the process. So this is just to give folks, just I would say, a bit of reassurance that should they build to our standards, they would receive the actual licence, but the licence to operate is only issued once the building has been built and is

ready to take occupancy.

COMMISSIONER MARROCCO: So when you were saying that the Ministry is facilitating this, what does "facilitate" mean there? Practically speaking, what is that?

MS. HYLTON: In terms of facilitating...

COMMISSIONER MARROCCO: The development that you described. I thought you said the Ministry was facilitating the development. I was just curious what that entails.

MS. HYLTON: It means we allow for projects that take any of these shapes or forms to move forward.

COMMISSIONER MARROCCO: Okay.

MS. HYLTON: For example, their government could have made a decision to go only with hybrid builds. So really looking only at growing capacity, where older beds would be redeveloped. But government has certainly provided direction since 2018, they're open to all three. Redeveloping, and so looking at bucket three, that could facilitate, buttressing capacity in an area that already exists, but may be older capacity.

Number two, so the hybrid builds you can grow and also get the benefit of redeveloping

your older beds.

And bucket number one, allows for the net new development. So bringing net new capacity into certain parts of the province.

The application form and our review process internally allows for these types of projects. So these three types to be considered.

The next slide, slide 14 grounds our development program a bit. This is what I would call "highlights of our framework".

So that the funding policy is a critical piece. We have recently launched, or refreshed funding policy. It's referred to as the "Long-Term Care Home Capital Development Funding Policy". It was launched a few days ago, now maybe ten days ago at this point.

And this is a critical document for anyone looking to develop or redevelop beds. Because this stipulates how the Ministry will support, from a funding perspective, the development of these new beds; or redevelopment of existing beds.

The design manual, as I've spoken to, that's the 2015 design manual speaks to the design standards and are minimum standards for homes being

developed or redeveloped on a go-forward basis.

And, of course, there's the legislation. And the legislation speaks to certain basic pieces in terms of what is required before a home can receive a licence.

So a home going through the redevelopment or development process, for example, must have an occupancy plan. This is where checks and balances come into place, from the perspective of my division within the Ministry, coupled with the operations arm of the Ministry.

So we cannot really count a project as being successful, if they are not prepared, or meet the necessary criteria to be open and to take occupancy. And one strong example of that is staffing.

So an operator can certainly move forward with development, they can secure land, secure financing, but when it comes to operations, given my responsibility for issuing licenses, I'm only able to issue a licence where I have the confidence that they can operate. And so securing and being able to articulate a staffing plan, as an example, is something my division, as well as the operations arm of the Ministry would take into

consideration.

COMMISSIONER MARROCCO: What protection would there be? You know, if you get the idea today that you want to build a long-term care facility, you have to find the land, and then you have to, I guess build it; and then apply for the funding.

I appreciate there's this letter, but if that takes three or four, can the policies change in that period of time?

MS. HYLTON: Yes.

COMMISSIONER MARROCCO: Do you start out in one world and end up in another one?

MS. HYLTON: Yes, yes. That is very likely. The process involves really getting things off the ground on the part of the operator. So their first step is to apply to the Ministry; that is their first step.

Some operators go ahead and purchase land without receiving an allocation or an approval to redevelop. But many prefer to have, I call it the reassurance from the Ministry, or from government, that they will either get new beds, or there is comfort with them moving forward with redevelopment.

So most operators start with applying. People tend to apply, our operators tend to apply on the basis of the framework that they're aware of at the time. So what does the funding policy look like?

And in their application form, we review, I call it a play on a pro forma. So how would they incorporate funding that is typical for a project of that size, as per our funding policy? What are they taking into account? That's one example of something we look for. How are they meeting the policy objectives?

If they are then moved through the process and receive an allocation, they are then -- or one of our future slides gets to this -- we then enter into a formal agreement with the operator. So we call that a "development agreement".

And, essentially, that is the contract that operators can refer to, to say they have received an allocation or approval from the Ministry.

They have reassurances from the Ministry that should they build the building to certain standards, develop a workable occupancy plan to the Ministry's satisfaction, not only will

they receive the funding once it's -- the project gets to that time, they will also receive a licence.

So there is a contractual arrangement that's entered into prior to the operator's actually breaking ground. And so the Ministry also has, as part of our process, we retain essentially the right to approve a project going to construction.

So there are checks and balances in place to ensure operators don't feel they have gone too far down the line. Or, you know, are maybe treading water without any confidence.

But, yes, within that time, things can change. So, for example, there have been quite recently as I mentioned, changes to the funding policy. So we do have some applications now that are very much underway, where they would have applied under a certain funding policy back in 2018 or 2019. And in 2020, we have put out a new funding policy.

And so part of what we are required to do as the Ministry, is to ensure the sector is up-to-date. Our development agreement is updated and amended to reflect these changes. And also, that we are working directly with the operators.

I keep getting asked the question about design standards as an example. So you could apply in 2019, based on the 2015 standards, or even 2020. [redacted]

We, within the Ministry, absolutely have to take into consideration, ramifications of such a fundamental change for a project that's underway. And oftentimes, you know, changes that substantial don't happen as often. The funding changes tend to be more positive changes like 2020 in this case.

So we're not getting any complaints about the changes, but we would have to take that into consideration.

COMMISSIONER MARROCCO: All right. So where are we?

MS. HYLTON: We're on slide 15. And slide 15 captures basically what I just went through. This is what we call our "pathway for development".

And the green boxes to the left, and with that development agreement. So it starts with the application being submitted; the project goes

through the review and approval stage internally; and then we enter into that contractual arrangement with the operator.

We also, and internal to the Ministry, to my team in particular under Neil's leadership, we have architects, project managers who are dedicated to working with each operator on an individual basis to facilitate their movement through this pathway.

So really looking at opportunities to review, we look at design. So we see designs for every building being built. We provide approval for construction, and certainly we actually go out and visit homes before we're able to give the go ahead for them to take occupancy.

We have architects, and sometimes our inspectors go out and take a look with our project managers. We look at how the actual building compares to the design that we approved; and then we move into the occupancy stage. And it is at that stage where we would issue the licence once the first resident has moved into the home.

I should say that part of the modernization work that I will mention a bit later, one of the critical areas -- I've identified as a

priority given my role -- is really looking at how we can move projects through the process faster.

So it has been very important to me, and my team here, too, we say this all the time: Make sure we keep the ball as best we can in the court of the operator; because they have quite a bit of a responsibility. We want to make sure the Ministry isn't unnecessarily delaying movement of a project. And we're certainly not holding projects back.

So where they have what they need to move forward, we try to move projects forward as quickly as possible. Recognizing that, you know, there are sign-offs depending on the stage of the project, that happen at the Minister level or the Deputy Minister level within the Ministry, so they don't all sit within the Capital Division; some go beyond.

But reducing red-tape, moving folks through the process, really taking a more risk-based approach. If we have an operator who's built two homes within the last year, very familiar with the process, we might take a bit of a different path with them through our review process because they're so familiar, and they will likely

have things like drawings, pretty much down pat by the time they get to building three, as an example.

Slide 17 gives you a bit of a status update. These numbers are a bit dated -- actually, these numbers are accurate.

8,937, so just shy of 9,000 new beds that have been allocated. That's inclusive of the accelerated build pilots with the hospitals. And as I mentioned, just shy of 12,000 existing beds to be redeveloped, have been approved.

There is an error in this sub-bullet, the first sub-bullet here, I just want to point that out.

About 32 projects are currently in the building stage, representing just over 1,600 new long-term care beds and about 3,000 existing beds to be redeveloped. So that building stage is the second stage of the pathway.

Of these projects, 10 of them would facilitate the redevelopment of about 700 existing, not 7,000. Sorry, 700 existing beds and about 750 new beds. So I just want to flag that there's an error in that sub-bullet.

We have a limited number, but we do have a few development projects that have been

completed since 2018. Five projects in total, representing a handful of beds. So 12,000 new beds, but the redevelopment of almost 200 existing beds have been completed since June 2018.

So we have quite a few projects in the queue, and they're coming up either in the building stage or towards the tail end of the planning stage.

I'm happy to provide you with a bit more detail there, if you would like. But just underscoring that we are seeing, we are certainly seeing movement. And the recent announcement to the change in funding, we understand should certainly make a difference.

COMMISSIONER MARROCCO: So that's 12 beds (verbatim), right? That's the correct number?

MS. HYLTON: 12 (verbatim) new, yes.

COMMISSIONER MARROCCO: Yeah, okay.

MS. HYLTON: Net new.

Slide 18 provides just a bit more background as we speak to -- I turn my attention now to modernization.

So the new provider for modernization further reiterated by the last comment there, in

and around the number of beds open to date.

So, clearly, there is still a need for change to facilitate movement in the sector. So we have been hearing from the sector because, of course, the Ministry government is asking. We have put new beds on the table. We have very much an oiled machine in terms of reviewing applications as they come in, or moving projects through the process; but there's still limited movement depending on the project.

And so what you see on slide 18 are some of the ongoing issues that we've been hearing from the sector that have slowed things down.

So upfront expenses; and you know, things like development charges; the cost of land, especially in urban areas. Operators have told us, they simply can't afford it; they can't afford to buy land in the GTA or the GTHA.

And construction costs. Since 2018 we've heard quite a bit about the costs for specific trades and the lack of availability of trades depending on where you're located.

Difficulty in receiving financing from financial institutions. This has been a critical concern for our sector, and certainly something I'm

hearing a lot more coming out of the pandemic. Experience coming out of Wave 1, where financial institutions, some of them seem to be less inclined with providing funding, or lending to smaller operators, or bigger operators seem to be able to go to a bank and secure financing. But some of our smaller operators have challenges.

And then there are challenges that are specific to different parts of the province. And, of course, the time it takes to actually move through the approval process. I would say approval at the municipal level. And by no means is the Ministry of Long-Term Care separate from this as well. Certainly opportunities for us to move folks forward where we can a bit faster has been identified by the sector.

So our modernization strategy has been worked on with Infrastructure Ontario. And changes to funding, I would say, is really the most publicly spoken to part of the modernization strategy. But there are a few other pieces related to red-tape production as an example.

COMMISSIONER COKE: I just wanted to know, some of the issues that you have in terms of timeliness, is it the need to redesign parts of the

process? Or you don't have the capacity that you have in your own group to do the work?

MS. HYLTON: I think we have a combination of factors. Capacity within the Ministry is one of our driving factors here. I must say, the team we have dedicated to development represents perhaps a third of what would have been available back in 1998 when we had a commitment to this magnitude, and it was actually a bit less than 30,000.

So we have a very small team, really trying to move projects through internal to the Ministry. So that is definitely a factor I would say. I wouldn't -- I don't want to downplay that, that is absolutely a factor.

I think the continued work with Infrastructure Ontario, and simply the time it takes to get through internal approvals within government.

The changes we have proposed, for example, from a funding perspective, require approvals all the way up to the Cabinet level. And so these are major changes that, you know, would have significant implications for LTC funding internal to government.

When we put forward, dating back a year now, our ideas, and then towards the end of the year last year, some figures as it relates to changes in funding, it certainly has had significant ramifications for the allocation to the program as a whole through Treasury, Board and Cabinet.

So these decisions are not necessarily made quickly, because we're talking about billions of dollars in terms of an impact here, as opposed to thousands or millions.

So those are some of the issues that I think are impacting movement here; separate and apart of what we know individual operators are experiencing.

COMMISSIONER COKE: Thank you.

MS. HYLTON: Slide 19 gives you a flavour of the three projects that we've talked about so far.

Just to turn your attention to the arrows. There are kind of three key approaches that we have tabled, and that are public at this point as it relates to development.

Number one, leveraging government surplus lands; that's the one I've spoken to the

least so far. This is really an opportunity for government to dispose of surplus properties and again getting to the barrier of limited access to land in urban areas.

We do know that there are surplus sites within certain parts of the province that are of interest to long-term care operators, and so government has directed the Ministry to work with Infrastructure Ontario and other relevant ministries to try to get these properties out to market, and dispose of them to the sector to facilitate rapid development of long-term care.

So that is well on its way. Very recent, I would say, decisions made to facilitate that getting off the ground. And so we're working on a daily basis with Infrastructure Ontario right now to try to put properties out to market to gauge interest and facilitate the disposition.

COMMISSIONER MARROCCO: When was the decision taken to make the properties available?

MS. HYLTON: So that decision came a few months ago. So in the summer of this year. So government has certainly expressed interest, but the final decision for the set sites that we are working with Infrastructure Ontario on, and there

are [redacted] of them, that decision came about this summer.

COMMISSIONER MARROCCO: All right.

MS. HYLTON: For the [redacted] properties identified. And they're captured on the slide here.

So that is an important piece. I would say very -- it makes sense, it gets at the barrier of land, but it is not a process that happens within weeks.

This involves us working with Infrastructure Ontario, working with local municipalities, to ensure that the land is properly zoned, for example. As I mentioned, the Minister of Municipal Affairs and Housing has leveraged his zoning order making ability to issue a change in zoning for these sites.

But some of these sites are plagued with challenges. They may not all have access via roads or utilities, or they may need to be severed. So very much getting at the issue of helping operators access land in urban areas, but it's certainly not a change that can come about overnight.

The next approach here speaks to -- I

call it a more routine LTC development program. And it's specific changes we've made to funding, going back to concerns raised by the sector historically, as it relates to our one-size-fits-all approach to funding, only providing funding after residents have taken occupancy, and their challenges with upfront costs that they are incurring as captured on the previous slide.

So we've made some significant changes in this new funding policy that is about ten days old at this point. One of the major changes is to break the province into market segments, and really look at a funding model that's very much tailored to where a home is being built.

So for example, we would not be funding development for a home in Sarnia, the same way we would fund in downtown Toronto. Up until ten days ago, that is what we had in place for years at this point. So really looking at differences across the province and trying to address those changes.

So the other major change that has come about as a result of a new funding model beyond increasing the CFS to address barriers, the construction funding subsidiaries, also providing

money upfront. So prior to this new policy, operators would only have expected to receive funding once the first resident has taken occupancy; this is the capital funding.

One of the changes we've made, given advice from Infrastructure Ontario, is to provide what is now being called a development grant to help operators offset some of these upfront costs, such as land development charges as captured as barriers by them, and captured on the previous slide. So that gives you a flavour of some of the changes of this net new policy.

And then lastly, what you'll see captured here is again the accelerated build project to the tune of about 1,300 beds leveraging hospital lands.

Slide 20 speaks to the second bucket I just described, where we have broken up the province under a new funding policy and into market segments again. Increase the CFS across the board, so regardless of where you are, your CFS, your construction funding subsidy, that is your DM we will provide over the course of 25 years for anyone who has built new or redeveloped existing capacity. That has increased as of ten days ago for every

operator looking to undertake a development project.

The degree to which it has increased is dependent on market segment or geographic location. But across the board there is an increase, and of course the development grant as I've referenced.

The development grant is provided up to a cap, and dependent on the market segment what the development grant is available across the board.

The next slide, I don't think I have to spend too much time here. It just gets into the surplus lands piece I had discussed earlier. [redacted] sites identified and working with Infrastructure Ontario to get these sites out to market, as quickly as possible, and hoping to have at least three of these sites out to market as soon as next month, if all the necessary pieces fall into place. But we're working diligently with Infrastructure Ontario and the other ministries to move these sites forward.

Accelerated build, just a bit more detail here. The Accelerated Build Pilot has three hospitals involved, as I mentioned across the GTA. So Peel, Toronto, and Ajax and Durham region. So looking at four building to the tune of 320 beds

each, so that takes us to just shy of 1,300 beds to be built under this Accelerated Build Pilot Program.

I think we can jump to the next slide unless there are any questions there.

So as we wrap up here, from our red-tape production perspective -- and this speaks to the broader modernization work happening from a development perspective. The work we've done in terms of public consultations under licensing, as well as changes to our funding policies, there have been a host of changes to the application form, the one that was actually launched in October of last year. We have made several changes to facilitate moving operators through the process of getting through it faster.

For an example, we have crafted the current application in a way that should an operator provide the documentation we request and complete the application form to a certain standard, we can move that application form, if there's interest on the part of government, very quickly to that point of getting a development agreement executed and bringing them a lot faster to the point of building.

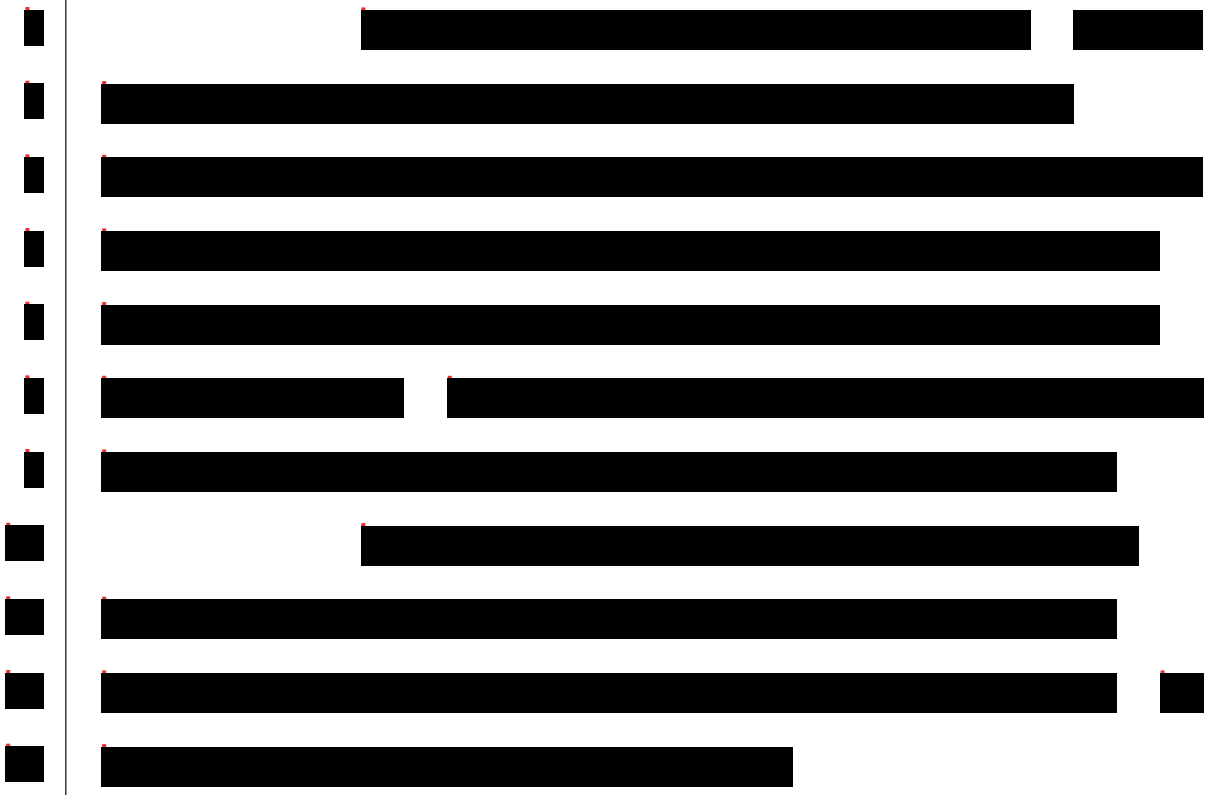
So we have made changes that could facilitate shaving off even 12 months off the process within the planning phase, and trying to get folks closer to shovels in the ground and getting that clock going to be able to facilitate taking occupancy a lot faster. So quite a bit of effort was taken last year to move the projects forward.

Because those applications are still coming in, I don't think the sector has really seen any movement in that respect as of yet, because allocations are yet to be made for applications that have come through the new application. But government has certainly signaled, by way of setting a September 25th deadline, that they are positioning themselves to make that change.

I would also flag as we close off slide 23, reviewing the design standards. Any other opportunities to review a red-tape or anything that might slow the process down for operators, as well as looking at other ways to enable development beyond just government funding.

So really looking at how we can help the sector secure financing. These are some of the other elements under our modernization strategy

that we are working with Infrastructure Ontario on right now.



The last slide here is quite different from everything else I've presented so far. So before I jump into slide 24, this is specific to where this team provided some advice and did some work to support the Ministry's overall response to the pandemic. But perhaps I'll pause here to see if there are any questions related to the actual development program.

COMMISSIONER MARROCCO: No, I don't think so. I think we're good to go.

MS. HYLTON: All right. So I'll close off with slide 24 here. The opportunity beyond the

licensing components I mentioned last week, so adding capacity where it was appropriate, and when it was appropriate, as well as facilitating approvals from management contracts.

That is one bucket of the support provided by the Capital Division to the overall Ministry response to the pandemic.

The other is captured on this slide, and I would start off by saying that the ideas that were put forward here, did not necessarily take off in any significant way during Wave 1, and are very much still being discussed and considered as part of the Ministry's current stabilization plan which is under development, and being developed to support homes respond during Wave 2.

So generally speaking, the Ministry under the Capital Division identified two opportunities to better support the sector as they are -- or to further support the sector as they responded to the pandemic. And the first one was really to look at opportunities to optimize existing long-term care space.

So what we were living through, and the sector was living through throughout Wave 1, was really limitations given the design.

So Commissioner Kitts, going back to your question around ward rooms.

We certainly know from the data coming in to the inspections branch, coming in from homes and public health units, many of the older homes where you had multiple people in a room, certainly experienced significant outbreaks.

Now, we know that beyond structure, practices in terms of what was happening from an HR perspective: Sufficient staffing, regular IPAC measures on the part of the individual staff, also contributed. But we do know that infrastructure played a role.

And so the Ministry, again, working with other entities, Canadian Red Cross, certainly one of them, Infrastructure Ontario, we had identified or made recommendations in terms of opportunities for minor renovations in the short term to facilitate homes, especially older homes, better to help them in terms of better infection prevention and control. So really looking at supporting their ability to cohort residents, isolate residents if necessary, those types of measures as an example.

And so looking at minor infrastructure

upgrades, that certainly came about. An example that I know comes to mind for me is the idea of looking at what is a sufficient divider if you have multiple people in a room.

Does a curtain suffice? Or should we be looking at something like Plexiglas, as an example, to really provide a strong enough impermeable barrier to limit spread. So those are some of the ideas that were presented.

I do know that the Operations Division is working right now on identifying opportunities for funding, to support IPAC measures in homes across the province. So this first bullet here is certainly being worked on, currently, as part of the stabilization plan.

COMMISSIONER MARROCCO: So when you say responding to COVID-19, optimizing existing long-term care space is an idea?

MS. HYLTON: Yes.

COMMISSIONER MARROCCO: But at this stage, there's no funding for it; did I understand that correctly?

MS. HYLTON: Well, certainly during Wave 1, there was no additional funding in that respect.

To answer your question, yes. Funding is currently being sought. And as part of the overall stabilization plan for the sector, I know that the Operations Division is working to communicate to the sector, funding or any additional funding to be made available in this respect, as well as any expectations around how this funding could be used to facilitate minor infrastructure upgrades to --

COMMISSIONER MARROCCO: Yes, I heard you. No, I got that part of it.

Now, the temporary relocation strategies, is it the same idea? That is, this is an idea that requires funding which is not yet forthcoming?

MS. HYLTON: Yes. I think this goes beyond funding, though. For the temporary relocation strategies, what we had put forward as a division was really the opportunity to look at how, if and under what circumstances, residents could potentially be relocated, really to support limiting infection spread, for example, in the home or improving the experience of residents, or limiting the potential for them to contract the virus.

I do know that during Wave 1, this did take place at a local level. It's captured in this deck, because this division -- my division certainly had put forward and made recommendations in terms of this being an idea.

And we do know that locally, in a handful of cases, this was implemented. I do know of at least two homes where there was relocation of residents permitted, and residents were moved out of the home to facilitate containment, or achieve as best as possible, containment of the virus within a home that was already in outbreak.

But we do know, based on our work at the time during Wave 1, feasibility was a strong concern. You know, our colleagues locally and other parts of the sector working with Ontario Health, certainly concerns expressed around whether or not there was actually space to accommodate relocation of residents.

So if you are in an area where there is limited space in terms of other facilities that are equipped to care for residents, is this really a feasible option locally. And so we know it was certainly used in a limited way.

I do know that the Operations Division

is working with Ontario Health to look at opportunities to limit occupancy, or to discuss what occupancy really should look like on a go-forward basis. As well as taking into consideration opportunities for relocation as we had put forward earlier.

So that, too, is being looked at. And I am certain any associated funding will need to be considered in that respect as well. It was certainly one of the things we had identified as critical for implementation.

COMMISSIONER MARROCCO: Yes, Commissioner Kitts.

COMMISSIONER KITTS: Where does the number 5,400 residents to be relocated come from? And what do you mean by "locally"?

MS. HYLTON: So locally referring to LHINs. So Local Health Integration Networks and as well as Ontario health regions.

The responsibility of the regions in terms of manning or supporting, rather, the local health service providers, they were integral in keeping tabs on capacity, capacity within hospitals or other capacity being built. And so, you know, those decisions were made closer to the ground.

I can tell you the Ontario Health region, the LHIN, the Ministry always has to be involved if residents are being moved out of any location, pandemic or not. And certainly we saw that in the two instances that I'm aware of where residents were indeed relocated. So that certainly came about.

The estimates in terms of 5,400 residents, very much an estimated figure from my team. One of the things we looked at as we had put forward our ideas here, was really honing in on where the outbreak or where the virus was most prevalent.

What parts of the province were we seeing higher numbers in terms of homes being in outbreak.

And also, bearing in mind the number of homes in those areas that also had ward rooms.

So really looking at how can we bring capacity down to no more than two per room? And using those two factors to try to come up with a rough estimate of number of residents we ended up recommending as potentially being able to be located.

It was very much a rough estimate from

the Ministry that we knew would need to be corroborated more locally. But this is just the Ministry taking a look at the data we had, in terms of, how many homes did we have where you had more than three people -- more than two people in a room? What is our goal there? And our goal certainly was to have no more than two people in one room.

So I do know that there were changes made outside of relocation to facilitate bringing occupancy down. And that happened, again, on the operation side of the Ministry through a directive that was issued to limit the number of people in a room. So it was achieved in the short term. And through another route, as opposed to relocating residents. But I do know that relocation is being considered now.

COMMISSIONER KITTS: Okay, thank you.

COMMISSIONER MARROCCO: Well, I guess that seems to be it. Is it?

MS. HYLTON: Yes.

COMMISSIONER MARROCCO: Well, thanks again for coming back. And it's very informative and we'll certainly give it careful consideration. It's a very thorough presentation, and we thank you

for it.

MS. HYLTON: Thank you. Thank you for your time and I do appreciate the opportunity to present to you.

COMMISSIONER MARROCCO: Thank you.

COMMISSIONER KITTS: Thank you.

COMMISSIONER COKE: Thank you.

COMMISSIONER MARROCCO: Mr. Mathai, you're here.

MR. MATHAI: I am, Justice Marrocco. Yes.

COMMISSIONER MARROCCO: I wanted to ask you to pass along to the appropriate client, the regret over the fact that that page, I think it was 11, ended up on the website.

That was a mistake on our part, and we regret it. It was captured by someone who was paying attention to the website and tweeted out, and so we saw it. We thought it would be more controversial to take it down than just leave it up there, so that's why we put it up there. But please tell them as a general rule, if there was ever an intention to publish something that we had agreed to keep confidential, that we would never do that without letting you know and hearing whatever

it is you had to say. And speaking personally, I can't imagine that we'd ever do that. But it's just a mistake and it's something that happened, and we regret it.

MR. MATHAI: Thank you, Commissioner Marrocco and Commissioners for those comments, and I will definitely pass on that information to my clients.

Earlier today, I did send an e-mail message to Alison Drummond, with respect to this slide deck. There are certain portions of this slide deck that -- well, or that would probably be subject to public interest immunity. I don't want to go into a long explanation on it, but I'm told there's a process between the Commissioner and Ontario for how to address the decks or other documents provided by Ontario.

I think it would be helpful that we continue the dialogue on this issue, and that the documents be treated as confidential until we have a process in place, if that makes sense with the Commissioners.

COMMISSIONER MARROCCO: I don't know about that, but I've certainly spoken to Mr. Callaghan about it, and I've asked him to work

with you to devise a process whereby if there is a claim, it can be efficiently resolved. And, obviously, we wouldn't put something up until it was resolved.

But I can't go much further than that. I do know Mr. Callaghan will work on that diligently.

MR. MATHAI: That's much appreciated Justice Marrocco and Commissioners, I appreciate that. So thank you.

COMMISSIONER MARROCCO: Well, anything further? Okay.

Mr. Mathai?

MR. MATHAI: No, nothing further Commissioners.

COMMISSIONER KITTS: Thank you.

COMMISSIONER MARROCCO: So we'll regroup shortly.

-- Meeting adjourned at 4:58 p.m.

REPORTER'S CERTIFICATE

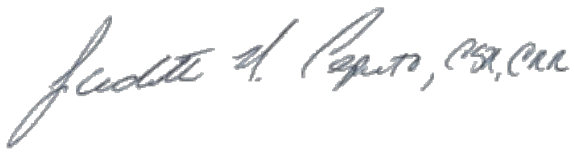
I, JUDITH M. CAPUTO, RPR, CSR, CRR, Certified Shorthand Reporter, certify;

That the foregoing proceedings were taken before me at the time and place therein set forth;

That all remarks made at the time were recorded stenographically by me and were thereafter transcribed;

That the foregoing is a true and correct transcript of my shorthand notes so taken.

Dated this 22nd day of September, 2020.



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WORD INDEX