

The Corporation of the City of Kawartha Lakes

Victoria Manor Committee of Management

Report VMC2019-05

Meeting Date: June 17, 2019

Meeting Time: 1:30 p.m.

Meeting Place: Victoria Manor, 220 Angeline Street. S., Lindsay

Subject: 2019 Funding Changes

Author Name and Title: Pamela Kulas, Executive Director

Recommendation(s):

Resolved That Report VMC2019-05, "2019 Funding Changes", be received.

Director

Other

Background:

On an annual basis the acuity of the resident population in each long term care home in Ontario is assessed for annual funding to the Nursing and Personal Care funding envelope. The budget reflects outcomes to reduce duplication to sustain programs and services.

On June 6, 2019 the Central East Local Health Integration Network (CELHIN) issued a letter to all Long Term Care Homes with revised 2019-20 funding rates and changes to other funding programs (Attachment A).

Rationale:

The primary funding changes effective Victoria Manor are summarized below and in Table 1.

Effective April 1, 2019 the level of care per diem rate will increase by 1.0%, or \$1.77 per resident per day (PRPD). Homes have the flexibility on which envelope this increase should be applied to as it is a global increase. There will be no further adjustment in July 2019 for the raw food or accommodation envelopes.

The Structural Compliance program will end as of August 1, 2019. Since April 1, 1998, the Ministry of Health and Long Term Care has paid a Structural Compliance per diem to long term care homes that were not eligible at the time to receive of the financial assistance from the Ministry to upgrade their homes. The City has allocated this per diem funding, \$151,476 per year, as the Victoria Manor capital program. A review of Victoria Manor’s capital program will occur as part of the 2020 budget process.

The high wage transition fund will also end as of August 1, 2019. The high wage transition fund was introduced on April 1, 1996 as a three year temporary transition measure. The objective was to assist operators to maintain equitable services levels while higher than average wage costs were addressed.

Attachment B summarizes the revised funding rates effective August 1, 2019.

Table 1: 2019 Funding Changes

Category	Budget Assumption	Actual Announcement	2019 Budget Impact
Nursing & Personal Care; Program & Support Services; Raw Food	2% increase (eff. July 1, 2019)	1% increase (eff. April 1, 2019)	-\$51,245

Other Accommodation (OA)	1.6% increase (eff. July 1, 2019)	1% increase (eff. April 1, 2019)	-\$1,809
Structural Compliance Program	\$2.50 PRPD	Elimination of funding effective August 1, 2019	-\$63,495
High Wage Transition Fund	Fixed amount	Elimination of fund August 1, 2019	-\$16,130

Financial Considerations:

The net impact of the above changes is partially offset by approximately \$65,000 due to other minor funding adjustments, including Preferred Accommodation rates as well as the overall net benefit in funding from the new CMI compared to the budgeted level, a net reduction in the Workplace Safety and Insurance Board (WSIB) costs. It is expected that the total net impact to Victoria Manor's budget for 2019 will be a loss of approximately \$68,000.

It is recommended that no significant program or service changes be made in 2019. All of the above changes and their respective impacts will be considered as part of the 2020 budget process.

Consultations:

Rod Sutherland, Director Human Services

Attachments:

Attachment A: CELHIN Funding Letter



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2019-20_Level-of-Ca

Attachment B: Funding Summary effective August 1, 2019



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B - LTCH LOC Per Die

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