



SENT ELECTRONICALLY

Memo

Date: May 24, 2024

To: Ontario Health East Region Long-Term Care Homes

From: Eric Partington, Vice President, Performance, Accountability and Funding Allocation

Re: **2024-25 Level-of-Care Funding Increases to Long-Term Care Homes Effective April 1, 2024**

On April 26, 2024, Ontario Health received notification from the Ministry of Long-Term Care (MLTC) confirming a funding increase of 6.6% in the level-of-care (LOC) per diem funding for the 2024-25 funding year.

This funding increase is to support Long-Term Care (LTC) home operators in maintaining current levels of service provided for resident care and in continuing to meet residents' dietary needs with safe and appropriate food. Moreover, this investment will provide additional support for operating costs including housekeeping, laundry, and dietary services.

Please note that the funding increase provided through the Other Accommodation envelope must be prioritized to address any outstanding compliance risks, such as meeting the sprinkler installation requirements under the Ontario Fire Code (O. Reg. 213/07, as amended), a regulation made under the Fire Protection and Prevention Act, 1997. January 1, 2025, marks the compliance deadline for sprinkler installation in LTC homes, a deadline that applies regardless of building redevelopment status or the home's licensing/approval status.

Additionally, effective April 1, 2024, please also note that the *Long-term care homes Quality Attainment Premium (QAP) funding policy* has been amended such that only homes that have provided proof of their accreditation status with either Accreditation Canada or the Commission on Accreditation of Rehabilitation Facilities (CARF) Canada will receive QAP Funding. LTC homes obtaining new or renewed accreditation status by one of these organizations, must notify the MLTC Strategic Business Planning and Financial Branch at luc.info@ontario.ca, and include a copy of the letter from the accreditor that reflects the start and end dates of the effective period of accreditation.

Also to note, as previously communicated in a ministry memo issued to long-term care licensees on March 30, 2023, homes with 64 or fewer licensed or approved beds (excluding beds in abeyance) will receive 100% of the LOC per diem for each unoccupied third and above bed in a ward room from April 1, 2023 to March 31, 2025. The LOC per diem for each unoccupied third and above bed in a ward room in homes with more than 64 licensed or approved beds (excluding beds in abeyance) declines gradually over the same period. Funding for unoccupied third and above beds in ward rooms will be provided until the earlier

of: March 31, 2025; the date of licence expiry; the date the bed is back in operation and available for occupancy; or the date when the space of the third and above beds becomes unavailable or completely out of operation. Effective April 1, 2025, unoccupied third and above beds in ward rooms in all LTC homes will not receive LOC (including Other Accommodation envelope) and supplementary funding.

Funding: Changes Effective April 1, 2024

A. Level-of-Care (LOC) Per Diem Rate Change:

The LOC per diem rate will increase by 6.6% or a total of \$12.96 per resident per day (prpd) as follows:

- 8.3% (\$1.00 prpd) increase to the Nutritional Support (NS) envelope,
- 3.4% (\$0.26 prpd) increase to the Global Per diem envelope,
- 3.4% (\$0.42 prpd) increase to Program and Support Services (PSS) envelope,
- 4.2% (\$4.45 prpd) increase will be applied to the Nursing and Personal Care (NPC) envelope, and
- 11.8% (\$6.83 prpd) increase will be applied to the Other Accommodation (OA) envelope.

With these changes, the total LOC per diem is increasing from \$195.69 to \$208.65 prpd. The additional convalescent care bed subsidy rates will increase from \$98.28 to \$101.61 prpd, spread over the respective LOC envelopes as outlined in the Level-of- Care Per Diem Funding Summary.

The funding increase provided through the OA envelope must be prioritized to address any outstanding compliance risks, such as meeting the sprinkler installation requirements under the Ontario Fire Code (O. Reg. 213/07, as amended), a regulation made under the *Fire Protection and Prevention Act, 1997*. January 1, 2025, marks the compliance deadline for sprinkler installation in LTC homes, a deadline that applies regardless of building redevelopment status or the home's licensing/approval status.

B. Basic Accommodation Premium:

Basic Accommodation Premium (BAP) funding will increase from \$2.49 to \$2.57 per diem for eligible LTC beds effective April 1, 2024.

Policies: Changes Effective April 1, 2024

Quality Attainment Premium Policy Change

Please note that the Long-term care homes *Quality Attainment Premium (QAP) funding policy* has been amended such that, effective April 1, 2024, only homes that have provided proof of their accreditation status with either Accreditation Canada or the Commission on Accreditation of Rehabilitation Facilities (CARF) Canada **will** receive QAP funding. This change will eliminate the payment and subsequent recovery to LTC homes that were previously advanced QAP funding despite not being accredited.

Full details outlining the LOC increase and other policy changes can be found within the [LTCHomes.net](https://www.ltc homes.net) website. Appendix A (Level of Care Policy) has been revised to reflect the April 1, 2024 per diem changes. Also refer to Appendix B (Level of Care Per Diem Summary) and C (Quality Attainment Premium Policy)

for further updates. A current copy of the updated policy and summary will also be posted on the Ministry of Long-Term Care's public website.

Unspent funds and funds not used for the intended purpose are subject to recovery in accordance with the MLTC's year-end reconciliation policy. Long-Term Care Homes are expected to provide timely and accurate in-year and financial reports.

In accordance with Section 22 of the *Connecting Care Act, 2019*, Ontario Health hereby gives notice that, subject to your organization's agreement, it proposes to amend the Long-Term Care Homes Service Accountability Agreement (LSAA) between your organization and Ontario Health with effect on the date this letter is signed back by your organization. To the extent that there are any conflicts between the LSAA and this memo, including all Appendices, if any, this will govern. All other terms and conditions in the LSAA will remain the same.

Please sign and return a copy of this memo to OH-East_Submissions@ontariohealth.ca by May 31, 2024.

If you have any questions, please contact your Ontario Health East Performance Accountability and Funding Allocation Lead/Consultant.

Sincerely,



Eric Partington
Vice President, Performance, Accountability and Funding Allocation
Ontario Health Central Region

Attachments:

- Sign-back Form
- Appendix A – Level of Care Policy
- Appendix B – Level of Care Per Diem Summary
- Appendix C – Quality Attainment Premium Policy

ONTARIO HEALTH EAST REFERENCE# 2024-25-AL_178-2024-607

Sign-back Form – 2024-25 Level-of-Care Funding Increases to Long-Term Care Homes

Your signature below confirms acceptance of the funding and performance accountabilities set out in this memo. Please sign below according to the requirements of your organization (e.g., by-laws, delegation of authority etc.). If a second signature is not required, please indicate N/A on the signature line.

AGREED TO AND ACCEPTED BY:

Name of Licensee, in respect of Home (Please list all Homes)

By:

Signatory Name

Title

I have the authority to bind the organization.

Date (mm/dd/yyyy)