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OLTCA
ONTARIO
LONG TERM CARE
ASSOCIATION

Presentation

By

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To

Standing Committee on Finance and Economic Affairs

Pre-Budget Hearings

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CELEBRATING 50 YEARS OF LEADERSHIP IN LONG TERM CARE
50 Years
OLTCA
1959 - 2009

Good afternoon.

I am Christina Bisanz, CEO of the Ontario Long Term Care Association. With me are our President Grace Sweatman and our Vice President Government Relations, David Cutler.

Grace is CEO of Christie Gardens Apartments & Care Inc., an 88 bed not for profit home that is part of a care continuum in Toronto.

David is CEO of Leisureworld Caregiving Centres which operates 26 homes with 4,300 beds in Ontario.

OLTCA represents over two thirds of Ontario's long term care homes covering the full spectrum of not for profit, municipal, charitable, and private sector operators. They provide high levels of therapeutic care and accommodation to some 50,000 of Ontario's most vulnerable seniors.

Today we seek your support to ensure that homes will be able to continue to do this and help maintain access to healthcare for all Ontarians. To accomplish this the 2010 provincial budget must:

- Retain the additional $43.5 million that the Ministry of Health and Long Term Care provided in 2009 to stabilize housekeeping, laundry, maintenance and other service levels, and continue existing service funding levels related to municipal property tax and other costs
- Continue the annual adjustments to direct care and program funding so that homes can retain staff; and
- Fully fund the cost of any new government initiatives on the sector including the HST and the new Long Term Care Homes Act and regulations.

We believe our request strikes an appropriate balance between government's fiscal and healthcare responsibilities.

The past decade has seen increased pressure on homes to admit residents with more complex medical conditions, with increased behavioral issues and higher infection control risk. The home's ability to respond to these pressures directly impacts available hospital beds and emergency room wait times for all Ontarians.

Our Members tell us that these pressures are intensifying, not subsiding.

Our sector has demonstrated its willingness to step up.

We have worked with government to increase care capacity and staffing. The recent telemedicine partnership between Southlake Regional Health Centre and four of our member homes is but one example of the innovation being applied in the field.

However, homes can only step up to the extent that government provides the necessary resources. Even with the progress we have made, there is agreement in government and outside that homes are still under resourced.

In short, we are challenged to cope today and we are at critical risk of slipping backwards to the detriment of both the residents' care and those who need access to hospital services.

This budget can prevent this outcome by addressing three key sector funding pressures.

The first is ensuring homes are able to maintain housekeeping, laundry, maintenance, education and other service levels that directly support a quality care and living environment. These services allow homes to:

- Provide the procedures to admit and safely care for residents with c-difficile and other infectious conditions
- Prevent and manage infectious outbreaks which also close the home to admission; and,
- Provide the training to support care innovation and quality improvement.

It is worth noting that the Auditor General stressed the importance of infection control practices in his recent report.

In recent years, the capacity of homes to provide these services had eroded significantly as cost increases outstripped funding increases by 1.5%-1.7% annually, for a cumulative funding deficit of $89 million heading into 2009.

The Ministry responded to this by providing an additional $43.5 million from its 2009 budget to stabilize existing service. To our surprise, however, this was tagged as "one time" funding and the sector has no assurance it will continue, even though we understand it has been included in the Ministry's budget submission to Finance. If it is not retained, the service reductions will materialize in 2010 with the added impact of another year of eroded capacity.

Similar impacts will accompany any deficit solutions that impact other service funding such as the 85% reimbursement of property tax costs for those homes that pay property tax. This funding initiative helps ensure that all homes have an essentially equitable service delivery capacity, even though the system imposes higher operating costs on some homes.

The second budget solution is ensuring that homes can retain their nursing and other direct care staff.

The province annually adjusts direct care funding to homes by some 2.5-3.5% to support care delivery and stabilize staffing levels. Without this adjustment, homes have no capacity to offset the annual collective agreement wage costs increases or manage the normal acuity driven fluctuations to their care funding base.

Their only option is to reduce staffing, an option that homes will be forced to employ if this annual adjustment is not included in the 2010 budget.

The third budget solution is full funding the costs of any new requirements government will impose on the sector.

This includes the impact of the HST which I fully addressed in hearings before this Committee in December.

At that time I stated that in the absence of a preferred federal solution, the province must act to mitigate the $12.2 million increase that the HST will add to the operating costs of Ontario's publicly funded privately operated homes. Let me be clear: this total cost is after the impact of supply chain savings and the benefits of income tax changes have been accounted for.

We ask the province to commit the funding to avoid government driven service reductions to 40,000, or over half, of Ontario's long term care residents based solely on home operator type. As I noted above, the provincial precedent of offsetting system driven operating cost inequities between homes is already well established. We believe the best solution is a change to the MUSH definition in the federal Excise Tax Act. This would ensure that all homes, not just some, are eligible for the province's MUSH sector protections

This third budget solution also incorporates funding the costs to implement the new Long Term Care Homes Act and regulations.

If the regulations proceed as currently drafted, we have identified some $34 million in direct new operating costs related to food service worker provisions and nursing and administration. In addition, we also know that a transformation of the scope envisioned by the new legislation cannot be accomplished without additional indirect operating costs.

If the HST, new Act or any other new initiative costs are not fully funded in our sector, homes have no option but to absorb these costs by reducing services in other areas.

I know that as MPPs you are all familiar with the long term care homes in your communities, the good work they do, the people they employ and the challenges they face. You also know that their care and service levels are totally dependant on the support for long term care in the 2010 budget. Residents don't have a choice.

Today we seek your support to ensure that long term care residents in your communities do not see their care and service levels decline in the wake of this budget, and that homes are not forced to place more demands on already overburdened hospitals and emergency rooms.

We believe this can be reasonably accomplished while recognizing the province's fiscal situation by:

- retaining existing funding levels and annual funding adjustments for care and services, including the additional $43.5 million the Ministry provided in 2009; and,

- ensuring that the HST and any other new cost burdens that the system imposes on long term care homes are fully funded.

We will be pleased to answer any questions.