Understanding long-term care: LTC homes account for every dollar

Most people know very little about long-term care homes until they need one for themselves or a family member. As a result, there is little public understanding of how long-term care works, and some widely held misconceptions.

One piece of misinformation is that long-term care operators use government funding for resident care for other purposes. This is not true.

In Ontario, long-term care homes are licensed and regulated. They receive funding from the provincial government for nursing and personal care, programs and services, and food, which is only spent on those items. Long-term care is heavily regulated, which means all spending is tracked and reported to the government. If this money is not used, it is returned to the government.

Residents also pay a fee for their accommodation, or “room and board.” The government sets this rate and subsidizes residents as needed. Long-term care homes use this money to pay for staff who don’t provide direct care to residents (such as housekeeping and laundry), utilities, and mortgages, as well as building maintenance and capital repairs. If there are any remaining funds in this area, homes are permitted to use them at their discretion.

As part of their licensing agreement with the government, homes report on how they have spent every dollar. Each long-term care home produces an audited annual report, which is reviewed by the government and then presented to their Residents’ Council and Family Council.

This funding system applies to all long-term care homes in the province, which are a mix of municipal homes, privately owned homes, and not-for-profits. Together, these long-term care operators are committed to providing high-quality care to their residents in safe and supportive environments, to being good employers, and to being responsible stewards of public funds. They are also vocal advocates for changes that would relieve pressures on long-term care, such as more funding for staff, more flexibility in staffing, and a reduction in administrative work so that staff could spend more time with residents.

For more information:

Understanding long-term care series on oltca.com

This is Long-Term Care 2019 - A “long-term care 101” report that explains how long-term care works, and provides statistics.

Better Seniors’ Care - A website with highlights of the Association’s 2019 budget submission, outlining the changes that are needed to meet current and future demands for care.

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The Ontario Long Term Care Association represents nearly 70% of Ontario’s long-term care homes including private, not-for-profit/charitable, and municipal operators.