



REPORT TO: Co-Chairs and Members of
Public Health and Social Services Committee

SUBJECT: Application of Provincial Revenue for Additional Resident Care

RECOMMENDATION

That this Committee recommends to Regional Council that additional 2008 Provincial revenue be applied to add 6.4 full-time equivalent staff (FTEs) to the Seniors Services staff complement to address increasing resident care needs and to help sustain the additional Provincial revenue in future years.

EXECUTIVE SUMMARY

- The need for additional resident care staff to help meet care requirements and mitigate risks to residents have been well documented in reports to Regional Council and in other public forums over the past several years.
- Comprehensive efforts by staff, including the computerization of resident care plans in 2007, have resulted in an increase in Provincial acuity revenue in 2008 of approximately \$1.7 million reflecting the increasing acuity of resident care in Niagara Region's long-term care homes. Provincial acuity revenue is contingent on Case Mix Index (CMI) scores compiled annually following classification of all residents for acuity levels by the Ministry of Health and Long-Term Care (MOHLTC).
- As Provincial CMI revenue for resident care in 2008 has exceeded by \$611,765 the target identified by staff and incorporated in the 2008 budget, the opportunity exists to apply the additional resident care revenue towards additional care staff and related resident care purposes in 2008, and towards sustaining CMI revenues in future years (i.e., 6.4 FTE).

FINANCIAL IMPLICATIONS

There will be no additional cost to the Region for the addition of the 6.4 FTEs as the increased Provincial CMI revenue will be exclusively applied to cover the cost of the additional staff in 2008 (and 2009 and in future years).

The following table summarizes the financial implications for 2008.

a) 2008 Provincial CMI Revenue Increase	\$1,684,730
b) 2008 Uncommitted Provincial CMI Revenue Increase	611,765
c) 2008 Cost of Proposed Additional Staff (i.e., 6.4 FTE)	293,668
d) 2008 Balance of Uncommitted Provincial CMI Revenue Increase (b-c)	318,097

Approximately one-half of the balance of the uncommitted Provincial revenue increase of \$318,097 will be allocated for supplementary care in all eight homes in 2008 and approximately one-half will be targeted for the Seniors Services Resident Care Stabilization Reserve for use in future years.

The following table summarizes the financial implications for 2009

e) Provincial CMI Revenue Increase from 2008 (annualized)	2,246,306
f) 2009 Cost of Commitments from 2008 (annualized)	1,464,523
g) 2009 Balance of Uncommitted CMI Provincial Revenue (e-f)	781,783

Retaining the forecasted uncommitted balance of \$781,783 mitigates the risk of a decrease in Provincial CMI revenue in 2009. Accordingly, a corresponding risk of increased financial pressure for significant additional Regional funding is also mitigated. Furthermore, an uncommitted balance of \$781,783 to begin the preparation of the 2009 budget allows for the opportunity to consider other beneficial fiscal and care options.

PURPOSE

This report identifies the amount (i.e., \$611,765) by which the targeted Provincial CMI revenue for Seniors Services has been exceeded. The report outlines the opportunity of applying this additional revenue to increase health care staff to meet the increasing care requirements of residents, to mitigate associated risks, and to address the challenge of sustaining the increased Provincial revenue in future years.

BACKGROUND

Resident Care Needs

The need for additional resident care for residents in long-term care homes in Ontario has been well documented over the years, and numerous advocacy efforts to increase funding for additional nursing staff have been directed to the Provincial government. For example, a consultant's study in 2001, commissioned by the MOHLTC revealed that Ontario was last among 11 jurisdictions analyzed in the level of nursing care with an average of 2.1 hours per resident per day (COM 39-2002, June 10, 2002). Annual reports from the Niagara Region's Homes' Medical Directors continue to identify the increasing complexity of care needs of residents and the lack of corresponding increases in staff (most recently COM 34-2007, July 17, 2007). The Regional Chair has advocated to the Minister of Health and Long-Term Care on numerous occasions for increased Provincial funding for staff in long-term care homes (most recently COM 34-2007).

Many other advocacy groups are pressuring the Provincial government to increase resident care staffing levels in Ontario's long-term care homes. For example, the Ontario Association of Non-Profit Homes and Services for Seniors (OANHSS) has recently reaffirmed the need for additional Provincial funding to facilitate homes achieving an average of approximately 3 hours of nursing care per resident per day. Health care labour unions and other advocates are pressuring the government for 3.5 hours of care daily. Niagara Region's homes currently average 2.57 hours of care per day, which is at the lower end of the range of municipal homes participating in the Ontario Municipal Benchmarking Initiative (OMBI). The OMBI median hours of resident care per day was 2.76 in 2006. The combination of the recently approved 15.2 FTE Health Care Aides increase included in the 2008 Seniors Services budget and the additional 5.4 Health Care Aides FTEs proposed in this report would raise Niagara Region's homes to an average of 2.69 hours of care per resident per day. This improvement in Niagara's hours per day in 2008 would be welcomed by residents, family members and staff as an important step toward the OMBI median hours and the advocated 3 hours per day.

REPORT

Increase in Provincial CMI Revenue

Each year, the MOHLTC classifies the nursing care required by each resident in Ontario's approximately 650 long-term care homes by examining each resident's care plan. Based on this classification exercise, each home's acuity of resident care is determined and a corresponding CMI score is calculated. Funding for resident care is adjusted by the MOHTLC accordingly for each home.

In 2007, Seniors Services undertook an initiative to consistently document resident care at all homes, concurrent with the implementation of a computerized clinical documentation system. The outcome of this staff initiative was an increased CMI at all eight homes and a total increase in Provincial CMI revenue in 2008 of approximately \$1.7 million.

The 2008 budget for Seniors Services was prepared with the assumption that Provincial CMI revenue would increase by approximately \$1.1 million. In December 2007, the MOHLTC advised Seniors Services of the higher CMI scores achieved by each home and the \$1.7 million in total additional revenue for 2008, an increase of over \$600,000 above the budgeted CMI revenue.

Application of the Additional CMI Provincial Revenue

As the Provincial CMI revenue for resident care in 2008 has exceeded by \$611,765 the target identified by staff in the preparation of the 2008 budget staff propose the following allocations:

Purpose	Proposed FTEs	2008 Allocation
Increase in front-line resident care staff	5.4 Health Care Aides	\$234,545
Additional coordinator position to sustain clinical documentation and CMI revenues in future	1.0 Clinical Documentation Coordinator	59,123
Supplementary nursing care in all homes	Not applicable	150,000
Targeted revenue for Resident Care Stabilization Reserve for future use	Not applicable	168,097
Totals	6.4 FTE	\$611,765

The application of the additional Provincial CMI revenue to additional resident care will enable the improvement of care and mitigation of priority risks. The retention of approximately \$168,000 in 2008 and an uncommitted amount of \$781,783 for 2009 enhances the potential for future resident care requirements and/or for financial risk mitigation in future years.

Submitted by:

Approved by:

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