

Long-Term Care Committee of Management July 4, 2018 – 9:00 AM

Heritage Room, Grey County Administration Building

1. **Call to Order**
2. **Declaration of Pecuniary Interest**
3. **Reports – Long-Term Care**
 - a. **LTCR-CM-25-18 Management Contract**

That report LTCR-CM-25-18, Long Term Care Management Services be received; and

That the Long Term Care Committee of Management provide direction regarding the development of an options report for Council consideration on July 12, 2018.

4. **Closed Meeting Matters**

That the Long-Term Care Committee of Management does now go into closed session pursuant to Section 239 (2) of the Municipal Act, 2001 to discuss:

- i. **a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization (*Sienna Senior Living Contract*)**

5. **Other Business**

6. **Next Meeting Dates**

- a. **To be determined**

7. **Adjournment**

To:	Chair Burley and Members of the Committee of Management
Committee Date:	July 4, 2018
Subject / Report No:	LTCR-CM-25-18
Title:	Long Term Care Management Services
Prepared by:	Lynne Johnson, Director of Long Term Care
Reviewed by:	Kim Wingrove, Chief Administrative Officer
Lower Tier(s) Affected:	All Grey County
Status:	

Recommendation

1. That report LTCR-CM-25-18, Long Term Care Management Services be received; and
2. That the Long Term Care Committee of Management provide direction regarding the development of an options report for Council consideration on July 12, 2018.

Executive Summary

Grey County issued Request for Proposal RFP-LTC-11-17 Management Consulting and Support Services/Redevelopment in August 2017. Sienna Senior Living was the successful proponent and the County entered into a five year agreement beginning February 1, 2018. The Agreement Schedule 2 - Services included completion of an operational review and provision for the supply of redevelopment consulting services as required. Management and consulting services were to be determined upon completion of the operational review and consideration of the recommendations therein and an amendment to the Agreement executed.

The Sienna Senior Living Executive Team presented the operational review key findings and recommendations to the Long Term Care Committee of Management on June 12, 2018. Overall, the report shows that while Grey County is committed to service quality and employee satisfaction, inconsistencies and disconnects within the operation are hampering efforts to achieve desired results. The report makes extensive recommendations that would improve service quality, address deficiencies and offer opportunities for savings and operational efficiencies. Primary among the recommendations is undertaking the necessary operational improvements to obtain CARF Accreditation. Achieving this industry standard would provide evidence of service quality and an assurance to Council, the Southwest LHIN and the public that all aspects of service delivery were meeting expectations. The homes would receive additional funding from MOHLTC once accreditation is achieved.

Given the findings and recommendations in the operational review, Committee of Management is asked to consider the following options for further management and consulting services and provide direction to staff regarding development of a report to Grey County Council.

Option 1

Enter into a full management contract to address the many complex and interconnected challenges within the three homes. A full management contract will provide immediate support from the Sienna Operational Support team to ensure that Grey County achieves a single, consistent approach across the service and is in the best position to operate efficiently and cost effectively in the future. This option comes with a significant cost as well as operational considerations and is focused on stabilizing the organization and supporting Grey County's ability to meet all compliance requirements. A Sienna Senior Living Executive VP would take the lead in this process and would report to the Committee of Management throughout the term of the contract.

Option 2

Enter into a partial service contract to provide the homes with additional resources to address some of operational review recommendations. The deliverables would include a focus on clinical and informatics improvements. There would be a much reduced level of service from the Operational Support Team and Accreditation would not be achieved in the next 4 years. Some efficiency may be realized however it is difficult to gauge the amount. Option 2 is about 50% of the cost of Option 1.

Background and Discussion

Representatives from the Sienna Senior Living Executive Team presented the operational review key findings and recommendations to the Long Term Care Committee of Management on June 12, 2018.

[Executive Summary – Key Findings](#)

The total operating budget for the three homes is \$27.8 million with capital representing an additional \$3.6 million (total \$31.4 million). This includes \$6.3 million in taxation and represents 11% of the total tax levy. Grey County's long term care department has over 450 staff. Each home operates with an internal leadership team and corporate support is provided by a Director and Administrative Assistant. The service also requires extensive support from IT, Human Resources and Finance. Even with the best efforts of all parties, current resources are not sufficient to keep up with industry changes, emerging trends, best practices and legislative and reporting requirements. A consistent finding throughout the operational review was the need for specialized Long Term Care expertise in each area of the business.

Full Management Contract

This option provides extensive resources to address the many complex and interconnected challenges within the three homes. This solution will ensure that Grey County achieves a single, consistent approach across the service and is in the best position to operate efficiently and cost effectively in the future.

A full management contract will provide Grey County and the homes with access to a support structure including subject matter experts and a wide range of resources to support successful outcomes in the following areas:

- Quality
- Nursing
- Dietary
- Education
- Informatics
- Recreation
- Physiotherapy programs
- Environmental services
- Financial and procurement management
- Human resources

With a full management service, Sienna Senior Living will be accountable to the designated County of Grey Management representative. An operational support team will be assigned to the homes and an in-depth action plan will be developed and implemented with a focus on compliance and quality improvements. The Sienna team will work with the Administrators and staff to develop a plan of action with recommendations and provide the information to the Committee of Management for approval. By addressing the identified items on the action plan, the homes would be preparing for accreditation and ready to proceed in the fall of 2019.

A detailed transition plan will be developed for each department based on the approved recommendations. A transition team will be established and include the administrators and other designated representatives from Grey County including support from Finance and Human Resources.

Key deliverables include:

- Assignment of a designated operational support team
- Assignment of a peer mentor for each department manager
- Joint communication strategy
- Leadership team members participation in Sienna Senior Living regional meetings
- Roll out and training on a complete suite of policies and procedures
- Updating all resident assessments and resident care plans under Sienna Senior Living direction
- Transition to the Sienna Senior Living Pointclickcare platform
- Transition of financial management processes
- Implementation of variance reporting
- Implementation of Sienna Senior Living menus, production sheets, order guides, recipes and pleasurable dining
- Implementation of the Sienna Senior Living Quality Management model- committee, indicators, data quality, benchmarking
- Standardization of recruitment and onboarding practices
- Implementation of an employee engagement survey
- Address and resolve any outstanding areas of non-compliance with Ministry of Health and Long Term Care regulations

- Accreditation preparation
- Development of a balanced scorecard and regular reporting to the committee of Management

It is anticipated that it will take the first two years of the contract to implement approved changes, and to fully implement and sustain Sienna Senior Living practices. Years 3-5 will include consultation on a 3-year strategic plan, implementation of further changes and sustaining all improvements and the stabilization of quality indicators. Financial efficiencies are expected during this time as well. Additional revenue will be available by attaining Accreditation and through procurement opportunities with Sienna. As practices and processes are streamlined and improved other opportunities for cost reduction will be realized.

Partial Services Agreement

Grey County currently purchases a number of the policy and procedure manuals from Sienna. A partial services agreement would provide Grey County with the full suite of Sienna policies and procedures, an annual review of care and services, updates to electronic documentation platforms, data quality and some training programs.

A partial service agreement would not provide the human resources or additional support to carry out the action plans or address sustainability or efficiency in a timely manner. The Grey County homes would be able to participate in accreditation with the Sienna homes however based on the requirements and preparation work they would not be ready to proceed in 2019.

Status Quo

Terminating the current agreement and resolving to either move forward on our own or going back to market is not recommended. The agreement does provide for termination with 60 days written notice from either party. Grey County would be responsible for paying for any services rendered to that point. We would lose the redevelopment support also. Going through another procurement process would be labour intensive and unlikely to get more competitive bids given the short time frame since the last RFP and recognizes that current costing is well within the 5% of operating considered industry standard.

Legal and Legislated Requirements

Section 3.2 of the Long Term Care Home Service Accountability Agreement with the Southwest LHIN addresses the responsibilities when “Subcontracting for the Provision of Services”. The LHIN will continue to recognize Grey County as the Health Systems Provider and can audit the subcontractor if they feel it is necessary.

The *Long Term Care Homes Act 2010* and *Regulation 79/10* outline the conditions of a management contract. Once executed, the Amended Agreement between Grey County and Sienna requires review and approval by the MOHLTC’s Long Term Care Licensing Branch. An Agreement to Approve a Management Contract will be executed between all three parties.

Financial and Resource Implications

The operational review identified that a considerable amount of work is required to improve service, maximize efficiencies, meet legislative requirements and work on improving outcomes to meet the expectations of stakeholders such as the Ministry of Health and Long Term Care. By preparing for accreditation, areas identified as deficient through the operational review will be addressed.

With either management contract, Grey County will maintain ownership of the beds.

With a full management contract, Sienna Senior Living will assume oversight for the homes and provide regular reports to the Committee of Management. An operational support team will be assigned to the homes to provide support and resources needed to operate in this increasingly complex environment. There will be an opportunity to increase revenue and decrease costs during the process. A full management contract will provide an opportunity for a realignment of corporate duties and responsibilities. Governance and oversight will be reviewed and reporting responsibilities clarified. Full understanding of the changes will be identified as the management transition occurs.

A partial management contract is approximately 50% of the cost of a full service contract and will provide a reduced level of resources and support. The homes will need to develop and implement action plans. Accreditation will be delayed and procurement will remain a county responsibility.

Now that the operational review has been completed it is important that the momentum be maintained. For 2018, it is recommended that the funding for the approved level of management contract be prorated for the remainder of the year and be funded from each homes operating reserve. The cost of the management contract will be included in the long term care operational budgets for future years.

Relevant Consultation

Internal: CAO, Finance

External: Sienna Senior Living, City of Kawartha Lakes

Appendices and Attachments

[Executive Summary – Key Findings](#)