

<b>To:</b>	Chair and Members of the Committee of Management
<b>Committee Date:</b>	June 29, 2021
<b>Subject / Report No:</b>	LTCR-CM-18-21
<b>Title:</b>	Case Mix Index Funding Reductions
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<b>Reviewed by:</b>	Kim Wingrove, Chief Administrative Officer
<b>Lower Tier(s) Affected:</b>	All Grey County
<b>Status:</b>	Adopted as presented by Long-Term Care Committee of Management through Resolution CM25-21; Endorsed by County Council CC55-21

## Recommendation

1. That report LTCR-CM-18-21 regarding Case Mix Index Funding Reductions be received; and
2. That the Chair and Members of the Committee of Management, Long Term Care write a letter to the Minister of Long Term Care, the Honourable Rod Phillips, outlining concerns with the Case Mix Index funding calculations to the Nursing and Personal Care envelope, and calling on him to reverse his Ministry's decision to cut annual operating funding to Grey Gables in Markdale, Lee Manor in Owen Sound, and Rockwood Terrace in Durham

## Executive Summary

The Committee of Management is responsible for providing input on annual capital and operating budgets, the treatment of surpluses and deficits, and the overall financial performance for Grey Gables, Lee Manor and Rockwood Terrace.

The Ministry of Long-Term Care has recently announced the Case Mix Index Classification (CMI) funding. The CMI has decreased in all three care communities resulting in a funding reduction of \$137,614 for the remainder of 2021 and \$328,293 annually. This funding cut would equate to a 4.53 reduction in full-time equivalent (FTE) for the three homes and a reduction of 1.36 minutes of care per resident each day at Grey Gables, 6.08 minutes of care per resident per day at Lee Manor, and 5.48 minutes of care per resident per day at Rockwood Terrace. The reduction in funding is a direct

contradiction with the Ministry of Long Term Care's announcement of their intention of increasing care hours to 4 hours of care for each resident living in long term care in Ontario.

## Background and Discussion

Long Term Care Homes complete regular resident assessments classifying their needs and acuity levels. The assessments are uploaded electronically to the province where they are processed through weighted case mix formulas and each resident is placed into one of 34 different grouping categories. The information is then used provincially to calculate the home's per diem funding for the Nursing and Personal Care envelope. Data is submitted quarterly and combined to establish an average level of care during the reporting period.

The Ministry recently released CMI funding for the 2021-2022 year. The allocations for 2021-2022 will result in a net decrease in provincial funding for all three County of Grey homes. The loss of this funding to the Nursing and Personal Care envelope is difficult, as monies from this envelope are primarily directed to staff wages, benefits, and nursing supplies. The care communities will need to absorb the anticipated loss in funding to avoid staffing cuts in this envelope. The following highlights summarize the impact of this recent announcement:

- Grey Gables will lose \$8,606 of funding for the remainder of the year and \$20,530 annually. This is a reduction of 1.5 hours of direct care per day or 1.36 minutes of direct care per resident per day.
- Lee Manor will lose \$80,074 of funding for the remainder of the year and \$191,025 annually. This is a reduction of 15.20 hours of direct care per day or 6.08 minutes of direct care per resident per day.
- Rockwood Terrace will lose \$48,934 of funding for the remainder of the year and \$116,738 annually. This is a reduction of 9.10 hours of direct care per day or 5.46 minutes of direct care per resident per day.

Ontario recently released a Long-Term Care Staffing Plan that specifically commits to moving to three hours of care per resident per day in Year 1 (2021-2022). The 2021 budget endorsed by County Council reflects an investment in resident centred care through an investment in front line care hours in the nursing and recreation departments, a focus on nutrition and meal service, an investment in registered nursing hours for infection prevention control. This investment in direct care and services in the 2021 budget brought Grey Gables to 2.91 hours of direct care, Lee Manor to 2.82 hours of direct care and Rockwood Terrace to 2.82 hours of direct care.

As a result of the funding reduction, all three care communities will experience a reduction in direct care hours, below Ontario's Long-Term Care staffing plan targets of three hours of direct care per resident.

Staff are concerned that this system creates winners and losers each year based on one- to two-year-old resident care data. The continued lag in time periods to inform the CMI funding does not address the issue of continued increases in resident acuity each quarter. This lag results in limited funding to provide care and services to our vulnerable elder population in the long-term care sector.

It is important that we continue to rally the government to address the issues of the shifting re-indexing factor and the time lag in the date utilized to inform the funding for long term care homes in Ontario. Acuity continues to increase, and long-term care operators are being asked to do more with less resources.

## Legal and Legislated Requirements

None with this report.

## Financial and Resource Implications

The current CMI was calculated on assessments submitted between April 2019 and March 2020. To acknowledge the delay in releasing the CMI results, the 2021-2022 funding allocation is based on the 2020-2021 funded CMI for the period April 1, 2021 to July 31, 2021, and 2021-2022 funded CMI for the period August 1, 2021 to March 31, 2022.

CMI decrease for the three homes results in a funding reduction of \$137,614 for the remainder of 2021 and \$328,293 annually.

## Relevant Consultation

- Internal (list)
- External (list)

## Appendices and Attachments

[Attachment to LTCR-CM-18-21 CMI Master Report](#)

[Attachment to LTCR-CM-18-21 CMI Memo](#)

[Attachment to LTCR-CM-18-21 CMI FAQ](#)