
DATE: August 20, 2009

REPORT TITLE: **FUTURE LONG TERM CARE HOME FOR THE REGION OF PEEL**

FROM: Janette Smith, Commissioner of Health Services

RECOMMENDATION

That the Region of Peel formally request approval from the Ministry of Health and Long-Term Care (MOHLTC) to build and operate a new long-term care (LTC) home in Peel with approximately 160 beds, inclusive of the 94 LTC beds that were eliminated from Sheridan Villa as a result of its redevelopment;

And further, that Council direct staff to proceed with arrangements to purchase land for a new long-term care home, consistent with discussions between the Region and the Mississauga-Halton Local Health Integration Network;

And further, that Region of Peel staff continue to contribute to William Osler Health Centre planning activities related to the site of the former Peel Memorial Hospital with Central West Local Health Integration Network to establish health services which have the capacity to address future seniors population needs.

REPORT HIGHLIGHTS

- The current supply of LTC services does not adequately meet today's requirements and will not meet future needs proportional to seniors population forecasts for Peel without ongoing investment.
- The low supply of LTC beds contributes to congestion in other parts of the local health system, including Paramedic offload delays.
- Long-term care beds fill an important gap, meeting the needs of seniors who are unable to live in the community with community-based and homecare supports, but who do not have the short term acute needs requiring hospital care.
- As the municipal LTC home operator in Peel, Peel Long Term Care is accountable for programs and services that reflect the changing needs of a growing and ethnically diverse population.
- By investing in an additional LTC home the Region will be able to maintain a market share of approximately 20 per cent of beds and to provide leadership and innovation in promoting high quality standards when meeting the needs of a vulnerable population.

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DISCUSSION

1. Background

The Region of Peel plays a crucial role ensuring that there are adequate services available throughout the local health system, especially Paramedic Services, Public Health and Long Term Care. The Region also works closely with many other health service partners. Long-term care homes are an essential component of the over all health system. The supply of long-term care (LTC) beds and mix of community-based supports for seniors has a direct impact on the functioning of other health services, including acute care and paramedic services.

The Region of Peel currently operates 703 (17 per cent) of the 4096 LTC beds in Peel. For-profit operators hold licenses for 69 per cent of Peel's LTC beds and charities operate the remaining 14 per cent of beds. Provincially, for-profit operators own 53 per cent of the total LTC beds and municipalities operate 22 per cent of total beds in Ontario.

Peel Region has the second lowest number of total beds per capita against Ontario Municipal Benchmark Initiative (OMBI) comparators. As previously reported to Council, the number of total beds in Peel for the population 75 years and older has been declining in recent years. This decline is also reflected in OMBI data showing Peel rapidly falling below the OMBI median level due to the growth of Peel's seniors' population.

As reported to Council in September 2008, maintaining the current 10 beds per 100 seniors 75 years and older per capita LTC bed supply to keep up with growth would require an additional 9,900 LTC beds be built in Peel over the next 22 years. It is unrealistic to plan and operate this large of an increase. However, achieving a bed supply of six beds per 100 seniors 75 years and older (comparable to some European health systems) would still require an additional 4,300 beds be built over the same period.

Council Resolution (2007-1289) acknowledges that 94 beds in abeyance from the Sheridan Villa redevelopment are being held for future Region of Peel development. At that time Regional Council directed staff to "enter into discussions with the Local Health Integration Networks (LHINs) to re-establish 94 beds in abeyance from Sheridan Villa with new long-term care services including capital costs for construction or a new facility and anticipated operating costs." While staff with the MOHLTC have indicated the Region of Peel is not entitled to retain these beds, all evidence points to the need to return these beds to the Peel community to address growing demand.

In January 2007, Council directed Regional staff to establish a marker in the 10-year Capital Plan for the development of new LTC services.

2. Findings

The development of an additional LTC home by the Region of Peel responds to the need for more LTC beds and demonstrates the continued leadership role Peel has developed as a provider of seniors' services in Peel.

a) System Capacity to Meet Current and Future Needs of Seniors

The current supply of LTC services does not adequately meet today's requirements and will not meet future needs proportional to seniors population forecasts for Peel without

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ongoing investment. There will need to be investment in all parts of the health system serving seniors to meet current demands, and to prepare for the needs of tomorrow's seniors.

Wait lists for LTC beds is one key indicator that the MOHLTC uses to measure demand. Ministry reports tracking LTC bed waitlists indicate an increase in these wait lists from January 2008 to March 2009. Over this 15-month period,

- Wait lists in Mississauga-Halton LHIN increased significantly from 973 to 1,279 seniors, a 31 per cent increase.
- Wait lists in Central West LHIN increased slightly from 309 to 320 seniors, a four per cent increase. Those waiting in Central West LHIN have been documented as having the highest acuity in the province.

Recent MOHLTC reports indicate that Mississauga-Halton LHIN has the second highest LTC bed utilization rate (99.1 per cent) in Ontario, and Central West LHIN has a utilization rate of 98 per cent. The provincial benchmark is 97 per cent.

Since last reported, the supply of LTC beds in Peel appears to have now declined below eight per cent of community need satisfied, the second lowest supply among all OMBI participants.

The low supply of LTC beds contributes to congestion in other parts of the local health system. A sizable portion of the waitlist for LTC beds is comprised of seniors receiving an Alternate Level of Care (ALC) in local hospitals who cannot be discharged due to lack of care options in the community and LTC homes. Beds are comprised of two distinct patient populations waiting for LTC placement or care in the community:

- Patients admitted for a short term acute health need who have completed their course of treatment and now await discharge.
- Patients admitted for chronic conditions whose care needs cannot yet be met in the community.

The high number of ALC beds in Peel's hospitals has resulted in long emergency room wait times for Peel residents needing care, and among the longest paramedic offload delays in Canada.

With regard to future demands on the health system, Peel's seniors population (75 years and older) is forecast to triple from approximately 43,000 in 2006 to an estimated 140,000 by the year 2031, the fastest rate of growth in Ontario.

Mississauga-Halton LHIN recognizes the need for more LTC beds within specific neighbourhoods in Mississauga. The LHIN is examining a "cluster" approach to seniors' services, situating LTC beds in close proximity to other services on the continuum of care, such as community services, clinical services and supportive housing, as examples. In Central West LHIN, the William Osler Health Centre continues to plan future services at the Peel Memorial Hospital site with a focus on flow between services.

b) Long Term Care Beds Fill a Specific Need

The Ministry of Health and Long-Term Care (MOHLTC) and Local Health Integration Networks (LHINs) have been working towards a model of the health system that

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emphasizes the role of integrated community health services that are supported by institutional care, such as hospitals and LTC homes.

Long term care beds fill an important gap, meeting the needs of seniors who are unable to live in the community with community-based and homecare supports, but who do not have the short term acute needs requiring hospital care. The importance of the LTC bed component of the health system will become even more apparent as local health systems become more integrated and seniors' services are aligned across a continuum of care.

Seniors are now entering LTC homes with increasingly complex physical and cognitive health conditions requiring the expertise and resources provided in LTC homes. Conversely, hospitals should meet the short term episodic needs of patients, with a plan for discharge. The health care system also benefits from community-based and home care services (such as adult day services, supports for daily living, transportation, friendly visiting, and meals on wheels) which serve lighter care needs of seniors for as long as possible. Ontario's three-year 'Aging at Home' strategy is in its second year ramping up funding for these types of community supports and services.

All these components of the health system serving seniors are being utilized more efficiently as Community Care Access Centres (CCACs) now use tools to rigorously assess senior's health needs to identify the specific supports for a senior to remain at home.

c) Municipal Ownership and Quality of Care

Municipalities have provided leadership in care and quality in the long term care sector, often showing the way on innovations and best practices in long-term care.

As the municipal LTC home operator in Peel, Peel Long Term Care is accountable for programs and services that reflect the changing needs of a growing and ethnically diverse population. Region of Peel LTC homes have a reputation for building services and programs that respond to the communities they serve, developing innovative new services and vibrant volunteer programs to improve the quality of life for residents.

Regional LTC beds and seniors' services are designed to build on other Regional and community-based programs and policy initiatives to improve the health and quality of life for Peel seniors as a whole:

- Municipal LTC homes demonstrate the active role of municipalities as service providers responding to the health and social needs of all members of the community, particularly the disadvantaged. As such, municipal homes establish a close and enduring relationship with their clients and the surrounding community.
- Oversight by elected officials means homes are accountable to the citizens, and responsive to the needs of the community by delivering services that are appropriate and effective.
- The Region of Peel has worked in partnership with other health service providers to reduce pressures on the health system through hospital avoidance measures and ongoing work with the mental health sector and services for adults with developmental disabilities.

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Accordingly, Council has made successive decisions to develop new homes for the Region to operate, and to support Peel LTC management in efforts to improve service and find cost efficiencies internally. These efforts have been recognized through:

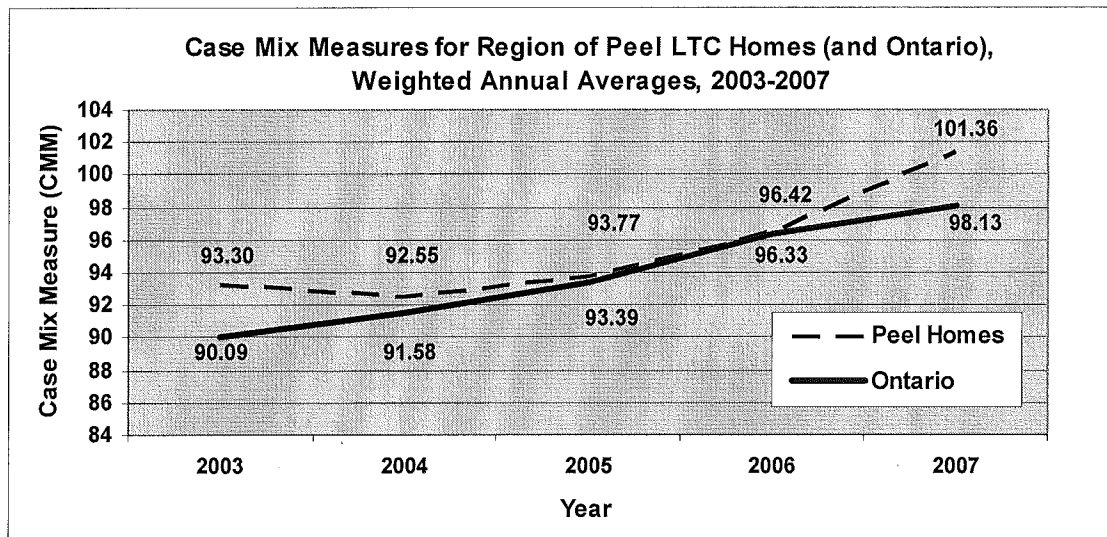
- Annual resident satisfaction surveys
- Three-Year Accreditation through Accreditation Canada
- Public Sector Quality Fair Level 3 Award for Peel Long Term Care Pandemic Influenza Plan, 2009

Municipal homes provide stability to the overall LTC bed supply. This sector has extensive private sector involvement allowing LTC beds to be bought and sold on the market. Experience in some Ontario communities has shown that for-profit operators will make business decisions to return beds to the MOHLTC or to buy and sell bed licenses with other businesses, affecting overall local bed supply. In this fluid environment, municipal homes help to stabilize bed supply by operating ministry-approved LTC beds, or beds purchased from for-profit and charitable operators.

d) Municipal Contributions

Municipal contributions directly contribute to increasing the levels of care found in the municipal LTC homes. Municipalities and non-profit providers invest all funding into services aimed at improving the quality of life of LTC home residents. Many municipalities, including Peel make further voluntary contributions to ensure a higher quality of life for residents. Additionally, as outlined in Figure 1 below, Peel has historically provided a higher level of care for its residents than the provincial average.

Figure 1 – Case Mix Measures



The enhanced level of investment in resident care found in not-for-profit and municipal homes may help the sector understand why this form of ownership has been found to deliver a higher quality of care for residents than those in the private for-profit sector.

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Recent Canadian research published in the British Medical Journal found that not-for-profit LTC homes generally provide a higher quality of care for residents. Not-for-profit homes (including municipal homes) were found to show:

- Significantly more or higher quality staffing;
- Significantly lower prevalence of pressure ulcers;
- Less use of physical restraints; and
- Fewer deficiencies in governmental regulatory assessments.

Among the municipal LTC homes in Ontario, Region of Peel LTC homes continue to operate with costs that remain comparable to other municipal operators, based on several accepted measures.

- Peel's costs to operate a LTC bed are comparable to the OMBI median costs. In 2007, Region of Peel costs were \$191.80 per LTC bed day, comparable to an average of \$188.58 per LTC bed day across all OMBI operators.
- A 2008 survey of 11 urban municipalities overseeing municipal LTC showed Peel's \$16.84 per capita levy well below the \$22.63 average.

e) Value to Peel

By investing in an additional LTC home the Region will be able to maintain its market share in the growth of LTC services and to provide leadership in promoting high quality standards when meeting the needs of a vulnerable population.

Currently the Region of Peel operates a low percentage of the total beds in its coverage areas, when compared to other regional municipalities. Ontario Municipal Benchmarking Initiative (OMBI) data indicate Peel's 17 per cent of the total beds is the third lowest number of LTC bed days per 100,000 population compared to the Ontario average of 22 per cent. Additional beds operated by Peel would maintain approximately 20 per cent of the community's LTC bed supply.

As the Central West and Mississauga Halton LHINs and the MOHLTC look to future expansion of seniors' services across the health system, Regional Council will have strengthened its place to advocate for services that reflect the needs of Peel's seniors' population generally.

The Region of Peel's leadership role among LTC operators in Peel is reflected in separate discussions with the Mississauga-Halton LHIN regarding selected underserved neighbourhoods in Mississauga, and with William Osler Health Centre regarding development of services for seniors including LTC beds at the Peel Memorial Hospital site in Brampton. Both discussions have been aimed at gauging Regional interest in future LTC beds.

3. Proposed Direction

It is recommended that the Region of Peel formally request that the MOHLTC grant approval to re-establish operation of 94 beds no longer being operated at Sheridan Villa and additional LTC beds. While LHINs have assumed powers to plan, coordinate, and fund local health services, the MOHLTC retains powers to approve new LTC beds, including LTC beds in homes that are maintained and operated by municipalities.

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A decision to move forward with an additional LTC home of approximately 160 beds sustains the Region of Peel's share of the total LTC bed supply in Peel. The Ministry's approval of 64 new LTC beds in addition to the 94 beds in abeyance would increase the Region of Peel supply up to 863 beds, slightly below 20 per cent of the total bed supply in Peel.

A suitable site for construction of an additional LTC Home is required, and should be selected to respond to identified community needs.

In addition to this request to the MOHLTC, staff will continue to discuss options for future LTC beds with the Central West LHIN and the Mississauga Halton LHIN to meet the growing demand.

FINANCIAL IMPLICATIONS

Based on the 2009 budget figures, the net operating cost to the Region for a 160 bed home is approximately \$4.1 million, including administrative costs of \$652 thousand (approximately \$4,073 per bed). As the current administrative infrastructure would be adequate to support demands of a sixth home at no additional cost to the Region, the Region of Peel can expect to see some savings to the overall administrative costs per LTC bed. The administrative cost per LTC bed would decline to approximately \$3,300 per bed, a savings of \$124 thousand per year for a 160 bed home.

In addition, Peel is collecting development charges for growth related capital costs. The current balance of DC reserve R3560 is approximately \$1.3 million. The ten year combined capital program to build a new LTC home is estimated at \$50.75 million. The Ministry of Health and Long-Term Care funding for LTC development is under review. Recent approaches included a per diem reimbursement over 25 years amounting to \$125 thousand per bed or \$20 million for a 160-bed home.

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Starting in 2011 budget, staff propose to set aside graduated funding to achieve a smooth transition to full operations. This will be designed with the purpose to minimize the tax rate pressure on operating budget in the first year of operation, and to increase contribution to the Capital Reserve which will be utilized to fund the capital cost on the LTC Home.



Janette Smith
Commissioner of Health Services

Approved for Submission:



for D. Szwarc, Chief Administrative Officer

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