



STAFF REPORT ACTION REQUIRED

Long-Term Care System Challenges and Opportunities for the City of Toronto

Date:	December 15, 2008
To:	Community Development and Recreation Committee
From:	General Manager, Long-Term Care Homes and Services Division
Wards:	All
Reference Number:	

SUMMARY

The City of Toronto's Long-Term Care Homes and Services Division is committed to providing exemplary care and high calibre customer service while continuously implementing innovative economies into its operation. As leaders in long-term care, the Division contributes its knowledge, expertise and innovative programs to positively influence and improve the overall healthcare system. The City's high standards provide a qualitative comparator in the system and have indirectly served to favourably influence overall system quality. The public accountability and public vigilance present in the City's system are crucial elements in maintaining consumer confidence.

As the provider of a wide range of services to diverse communities, the Division is faced with several challenges in delivering services, including a changing long-term care environment; the introduction of new legislation; provincial funding limitations and a growing demand for long-term care services. In addition, the announced long-term care homes capital renewal strategy presents both a challenge and opportunity for the City.

The provincial long-term care home capital renewal program details and funding provisions were announced on November 26, 2008. Accordingly, this report recommends that authority be given to the General Manager, Long-Term Care Homes and Services to respond to a Ministry of Health and Long-Term Care request for proposals with an expression of interest to redevelop Kipling Acres. The redevelopment of Kipling Acres will not proceed as a capital project until City Council approves the Division's 2010-2019 Capital Program through the City's normal budget approval process in 2009. However, a draw of \$2.0 million from the Homes for the Aged (HFA) Capital Reserve Fund will enable the Division to begin planning and design work.

RECOMMENDATIONS

The General Manager of the Long-Term Care Homes and Services Division recommends that:

1. City Council authorize the General Manager of the Long-Term Care Homes and Services Division to initiate an application for the redevelopment of Kipling Acres once the Ministry of Health and Long-Term Care invites applications in early 2009;
2. City Council approve a one-time withdrawal of \$2.0 million from the HFA Capital Reserve Fund to enable the Long-Term Care Homes and Services Division to begin planning and architectural design work on the Kipling Acres Campus of Care Concept pending provincial approval of the project;
3. City Council amend the 2009 Approved Capital Budget for Long-Term Care Homes and Services to include a new project entitled “Redevelopment of Kipling Acres” with a 2009 cash flow of \$2.0 million funded from HFA Capital Reserve Fund;
4. City Council authorize the General Manager of the Long-Term Care Homes and Services Division to continue to advocate for expanded funding for the City’s homemakers and nurses services program, based on demonstrated community need;
5. City Council express to the Ministry of Health and Long-Term Care the urgent need to increase funding for long-term care homes as soon as is possible, based on the ever increasing acuity and complexity of care being provided in long-term care homes;
6. this report be forwarded to Budget Committee for its consideration; and
7. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

This report recommends a one-time withdrawal of \$2.0 million from the HFA Capital Reserve Fund to begin planning and architectural design work for the proposed redevelopment of Kipling Acres. Once the planning work is completed, the General Manager of Long-Term Care and Homes Services will report to Committee on the costs to redevelop Kipling Acres and other Type B and C homes as mandated by the Province. The 2010-2019 Capital Plan and Forecast will be revised to reflect the outcome of the study and Council approval of the redevelopment model.

The HFA Capital Reserve Fund was established in 1998 with the express purpose of funding health and safety projects and/or minor capital upgrades. The HFA Capital Reserve has been entirely funded from the Ministry of Health & Long-Term Care (MOHLTC) for life safety and/or minor capital upgrades. The 2008 5-Year Capital Plan includes draws of \$23.7 million from the HFA Capital Reserve Fund. Based on current withdrawals from the Capital Reserve, the HFA Capital Reserve Fund will be depleted by the end of 2014. The projected balance of the HFA Capital Reserve Fund as of December 31, 2008 is \$16.4 million.

Estimated repairs and capital upgrades at Kipling Acres will be required totalling \$5.7 million that is not included within the Approved 5-year Capital Plan, for life safety systems, air handling systems, elevators, electrical and essential interior and exterior upgrades. Of this amount, \$3 million will not be required if the redevelopment proceeds in 2010. The nature of these improvements require that they be demolished and provide the City with no further benefit once the new sites have been completed. The MOHLTC's capital renewal program for B and C long-term care homes will provide additional funding of approximately 50 percent of the construction cost of the redevelopment. Details will be reported once the redevelopment plan is finalized.

DECISION HISTORY

The Community Development and Recreation Committee, at its meeting on July 4, 2008, had before it a report entitled "Alzheimer's Adult Day Program at Wesburn Manor", which outlined a provincial "Aging at Home Strategy" announced by the provincial government in August 2007 to streamline, promote integration and build community capacity for seniors' care and services. The aim of Aging at Home is to provide seniors with access to the supports and services needed to help them maintain independent living for as long as possible. More than \$700 million in funding over three years is being invested through the province's 14 Local Health Integration Networks (LHINs).

As a result of the report, the Community Development and Recreation Committee requested the General Manager, Long-Term Care Homes and Services, to provide an update on the current challenges and opportunities in the long-term care environment and what advocacy efforts the City is engaged in, and could engage in, to encourage improvements.

ISSUE BACKGROUND

The Long-Term Care Homes and Services Division provides a continuum of long-term care and services, including a community-based homemakers and nurses services program, a multi-site supportive housing program, 4 adult day programs and 10 long-term care homes. Collectively, the 10 long-term care homes serve over 2,600 residents, primarily adults whose average age is over 85, with multiple diagnoses and varying degrees of physical frailties, cognitive impairment and complex care needs. In addition, to the long-term care provided, short-term or intermittent services are provided (i.e. short stay and convalescent care programs) for adults who have demonstrated need, for example a need for family respite, a chronic illness or frailty, a need for recovery and rehabilitation following surgery or injury, and/or an inability to independently complete

normal activities of daily living. The overarching goal of the Division is to “enrich the lives of the people we serve”, with a focus on providing individualized care and service in a way that “respects, supports and enables” people to be as independent as possible.

The Division strives to be a leader in long-term care, recognized for high quality care and service with a commitment to working in partnership with families and the community-at-large. Through an inclusive strategic planning process, the Division targets program design to meet the growing and changing needs of residents/clients and Toronto’s diverse communities and to provide a rewarding and empowering work environment. In response to the diversity of Toronto, the Division collaborates with a number of external partners, including ethno-racial, cultural, LGBT and linguistic communities, community agencies and healthcare organizations. Residents in the City’s long-term care homes come from over 45 countries of origin, speak over 36 languages and represent approximately 50 faith groups.

The Division has a strong client-centred focus, uses an interdisciplinary team approach and bases care and service on national standards of excellence, best practice and principles of health promotion. The Division provides programs generally not found in other long-term care organizations, including French language services, LGBT inclusive services, care for individuals with significant cognitive impairment and/or mental illness (with associated responsive and/or challenging behaviours) and services for specific vulnerable populations. The Division values community input and actively engages the community through consultation, collaboration and various advisory committees.

As a result of commitment to community service and the current external environment, the Division faces multiple key challenges and opportunities, especially in light of existing levels of long-term care funding. The Division has a multi-year plan that prioritizes and aligns strategies that also address Council’s priorities, such as influencing positive outcomes for Toronto’s communities, providing leadership and expertise in long-term care, integration, collaboration, efficiency, access and equity, environmental responsibility, targeted recruitment of youth from at-risk communities and realignment of community services, based on emerging community needs.

Although there are many challenges and opportunities in long-term care, this report addresses six key issues:

- (i) the changing healthcare environment;
- (ii) the changing healthcare workplace;
- (iii) the new *Long-Term Care Homes Act*;
- (iv) the growing service demand;
- (v) the current provincial funding for long-term care; and
- (vi) the provincial long-term care homes capital renewal strategy.

COMMENTS

(i) Changing Long-Term Care Environment

Long-term care is a diverse and complicated part of the healthcare system that is subject to numerous, often competing, pieces of legislation that heavily impact operations. The health system itself continues to evolve under the provincial government's health reform agenda. The restructuring of the Ministry of Health and Long-Term Care and introduction of the Local Health Integration Networks (LHIN) are at the centre of this transformation. The stated goal of health system reform was to increase community capacity and system integration. When the *Local Health Integration Act 2006* was passed on March 1, 2006, five (5) LHINs were assigned geographic boundaries that include portions of the City of Toronto.

Each LHIN developed an Integrated Health Service Plan (IHSP) and with funds made available through the provincial government's investment of \$700 million over a 3-year period towards an Aging at Home Strategy. The LHINs are inviting organizations to submit health system improvement proposals (HSIP), based on the priorities identified in their own IHSP. All HSIP proposals must be developed in partnership with at least one other service provider, which offers the potential for the Division to work with various community organizations to provide much needed services for the City's at-risk communities. To date, the Division has submitted two (2) successful HSIPs. Other submissions are in process and/or being considered in the event of future opportunities.

Contingent upon successful HSIPs, the Division has capacity to expand the supportive housing program in collaboration with Toronto Community Housing Corporation (TCHC), with a key focus on priority neighbourhoods. Supportive housing is fully funded by the MOHLTC/LHIN and expansion of the supportive housing program is consistent with the Aging at Home Strategy. The Division's homemakers and nurses services program (targeted for low income seniors/adults with disabilities) may qualify for increased provincial funding. The Division is currently pursuing discussions to increase program funding. This program is a cost-shared program (80-20). Therefore, if discussions are successful, the Division will report back to the Community Development and Recreation Committee regarding options for implementation.

The creation of LHINs has transformed the healthcare system. Although there are expanded opportunities for innovation based on local community need, all opportunities require partnerships and integrations between organizations which create complexities for the Division in terms of applying and securing the requisite City administrative authorizations, if the HSIPs are approved. These challenges are further addressed in the report to Community Development and Recreation Committee entitled "Update on Local Health Integration Networks (LHINs)". At times there are differences between the LHINs' priorities as outlined in the IHSPs and the City's priorities. This variability may be a result of the varying boundaries for the various LHINs in comparison to the City's borders.

It is worth noting that one of the stated objectives in the creation of LHINs was that duplication would be reduced as the LHINs coordinated and streamlined the overall health care system. While progress is being made on the health care system as a whole, it is extremely unfortunate that the LHINs themselves are not coordinating their administrative and reporting requirements. Accordingly, health care providers that work with more than one LHIN must maintain separate administrative and financial reporting systems under this accountability framework.

MOHLTC/LHIN priorities, alternative level of care (ALC) pressures and community expectations have resulted in a dramatic increase in the complexity of care and the number of persons with dementia, mental illness and/or associated responsive behaviours being admitted to the long-term care homes. The City's long-term care homes are known for having expertise in dementia care, not universally found in all organizations and this has resulted in a higher than average admission rate of persons fitting this profile. This results in the need for enhanced staff training and expanded workplace health and safety programs.

In addition, the MOHLTC is currently spearheading several major strategic initiatives within long-term care, including a new common assessment system, standards revitalization, a risk management framework, revised public reporting, and changes to the compliance (inspection) system.

(ii) The Changing Healthcare Workplace

The Ministry of Labour (MoL) has increased its attention to the healthcare system, primarily since SARS. The MoL created a Healthcare Section 21 Committee to provide advice to the Minister of Labour about workplace health and safety in healthcare environments, a Healthcare Sector Plan (for MoL enforcement, with emphasis on key areas) that builds on the provincial "Safe at Work Ontario Strategy" and increased frequency of inspections in healthcare organizations. The Division has a firm commitment to a safety culture (for residents, clients, visitors, staff and volunteers), but this places significant demands on resources to ensure accurate and complete hazard ID, risk assessment, accident prevention, root cause analysis and effective improvement plans, especially in light of funding realities. New regulatory and/or policy requirements in healthcare settings such as safety engineered medical devices (SEMDs, e.g. retractable needles), MSD prevention programs, infection prevention and control (IPAC) requirements, occupational illnesses, etc. have placed pressure on the Division to respond without a corresponding increase in resources.

Workplace injury trends in long-term care create both a challenge and opportunity. Data from the Ontario Safety Association for Community and Healthcare verifies that the potential for and frequency of workplace injuries (particularly MSDs) in long-term care is higher than in other healthcare sectors, yet the long-term care sector is least resourced to effectively manage workplace health and safety issues. The SARS Commission report and emerging evidence from the MOHLTC and IPAC practitioners has created a new reality for IPAC in healthcare organizations, including the need for IPAC nurses in

individual healthcare organizations, enhanced education and increased IPAC practice and increased reporting.

Recognizing the opportunity to improve patient safety in healthcare, both Accreditation Canada and the Canadian Patient Safety Institute (CPSI) have introduced new requirements related to safety in healthcare environments.

Notwithstanding funding limitations, the Division is firmly committed to a safety culture, internal responsibility (IRS), the achievement of workplace health, safety and wellness and the creation of supportive workplace environments that establish the Division as an employer of choice. The Division has developed a number of new workplace safety programs and an expanded return to work approach that accommodates workers who are permanently or temporarily unable to perform their full duties, in collaboration with CUPE Local 79.

Although all of these new health and safety requirements/initiatives are laudable, they place pressure on already stretched resources.

(iii) New Long-Term Care Homes Act

All long-term care homes are legislated and regulated by the Ministry of Health and Long-Term Care (MOHLTC). Historically, separate legislation has been in place for the various types of long-term care homes, i.e. nursing homes, charitable homes for the aged and municipal homes for the aged, namely the *Nursing Homes Act*, *Charitable Institutions Act*, and the *Homes for the Aged and Rest Homes Act*.

On October 3, 2006, the provincial government introduced the new *Long-Term Care Homes Act* under Bill 140, to bring the three pieces of legislation together into a single piece of legislation, thus ensuring uniform standards and accountability. On June 4, 2007, Bill 140, *Long-Term Care Homes Act, 2007* received Royal Assent. Pending the passing of numerous regulations, the *Act* is expected to be proclaimed into law in 2009.

The City took a very active part in the provincial government's consultation process about the proposed *Act*, responding to both a consultation paper and the draft legislation. A formal submission was provided to the Standing Committee on Social Policy, setting out an overall response, key recommendations and a clause-by-clause analysis that provided both compliments for some aspects of the work and recommendations for change in others. In January 2007, senior Divisional staff joined Councillor Joe Mihevc, who as Chair of the Community Development and Recreation Committee presented the submission to the Standing Committee on Social Policy and responded to questions.

The new *Long-Term Care Homes Act* with its many anticipated new regulations is expected to have significant impact on the day-to-day operations of long-term care homes. Once the new *Act* is proclaimed, it is expected that regulations establishing new and higher mandatory requirements will be released. It is also expected that new funding will be allocated to enable long-term care homes to meet compliance with new requirements. However, based on the provincial government's October 22, 2008

economic statement, it is unclear how this new funding will be impacted. Although the Division has already implemented much of the content of the *Long-Term Care Homes Act* related directly to resident care and service, the full impact of the proposed regulations is not yet known. However, consistent with the Division's approach to integrated quality management, quality improvement work will continue within the Division's resources.

The Division remains committed to working cooperatively with MOHLTC to build the new legislative governance framework and will continue to advocate for regulations and policies that support long-term care homes in providing high quality care and service for vulnerable persons. The Division continues to be consulted and provides input and advice as the regulations are being developed.

(iv) Growing Service Demands

The Division strives to be a leader in long-term care, recognized for high quality care, working collaboratively with residents, families and the community and continually taking steps to ensure that programs evolve as communities evolve. The Division has successfully implemented many innovative programs over the years.

The acuity and complexity of residents' and clients' needs continue to increase. The Division has been responsive by forming strategic alliances with other healthcare organizations and community agencies. Also, the Division has introduced services for resident and client groups with specific profiles, based on a population health approach. This collaborative model positions the Division well to respond to current issues.

The Division's strategic plan is reviewed and updated in consultation with key stakeholders and numerous community partners at a minimum of every three (3) years. City priorities, community trends, indicator data, prior years' achievements, LHINs' priorities and requirements from the MOHLTC and MoL also guide strategic planning. Key trends identified in the past have included shifting demographics, diversity, changes in government policy, unmet community needs, unresolved funding issues, increasing regulation, and challenges in recruitment and retention of skilled employees.

Current strategic directions and priorities include:

- to influence positive outcomes for Toronto's communities and the broader health system through providing leadership and expertise in long-term care;
- to establish and maintain a culture of quality and safety that responds to the well-being, comfort and safety needs of residents and staff;
- to promote integration and efficiency within the healthcare system through collaboration with other healthcare providers; and
- to continue to realign community-based services, based on stakeholder/client assessment and emerging community needs.

Communities have general expectations about the range of municipally-operated services that should be available to meet local needs. These public expectations extend beyond infrastructure issues to include social, health and human service needs. In this way, the provision of long-term care services has become a cornerstone of municipal service,

especially in serving vulnerable and under-served population groups. External stakeholders look to the Long-Term Care Homes and Services Division to respond to community needs that are not fully met by other organizations and/or to provide unique services that are not generally available. Public opinion favours the City responding to these gaps in service. Although the Division fully endorses this request and has a commitment to public service and accountability, there are challenges and pressures in satisfying increasing community expectations, in light of funding realities.

The Division has recently completed consultation with over 50 community organizations, in readiness for renewal of the Division's written strategic plan (November – December 2008). If strategic directions change due to this renewal, the written plan will be updated.

The achievement of goals and the provision of an equal quality/level of service as in past years provide both challenges and opportunities, requiring the Division to not only seek out new funding but continuously review and adjust how care and services are delivered.

(v) Provincial Funding

Adequate and sustainable funding continues to be a priority for both long-term care homes and community-based long-term care services. Since 1993, the MOHLTC has been funding long-term care homes based on a model referred to as level of care funding. The MOHLTC recently deferred conducting a review of the current funding mechanisms. The review had a stated goal of creating a fair, streamlined and stable funding approach with increased accountability and enhanced reporting mechanisms. The Division believes that this development of a revised funding approach should be treated as a priority.

The current MOHLTC funding model fails to recognize and allocate sufficient dollars to fund legitimate price differentials. Many of the differences in operating circumstances exist due to provincially controlled factors. The higher than average salary and benefit costs in many municipal long-term care homes can be directly traced to arbitration awards, pay equity and city amalgamations, which are all provincially controlled processes. The cost of providing the same level of care and service to residents varies between long-term care homes for a number of reasons, but factors that are beyond the control of individual long-term care providers need to be properly funded to create equity within long-term care. Long-term care homes require a commitment of multi-year, sustainable funding from the MOHLTC. Currently, funding is variable and based on a complex formula that fluctuates from year-to-year. This requires the Division to aggressively pursue all available grants, subsidies and revenues. The Division will continue to advocate for adequate, fair and equitable funding.

Acuity, which measures care levels, has increased by 29.73 percent since 1993. In order to maintain the same level of care and continue to meet residents' needs, a long-term care home must add resources year-over-year. These additional costs do not represent cost escalations nor do they signify program enrichments or expansion. Increase in acuity means that higher levels of service, more complex interventions and additional registered nursing staff, personal support workers and others are needed to maintain service levels

consistent with the relative intensification of residents' needs. Accordingly, the MOHLTC measures acuity yearly and adjusts funding to maintain necessary care and service levels.

In addition to the normal acuity adjustment, the provincial government committed to increase Ontario's care and staffing standards. The 2008-2009 provincial budget included new funding for 2,000 additional Registered Nurses (RN), 1,200 Registered Practical Nurses (RPN) and 2,500 Personal Support Workers (PSW) for the long-term care homes across Ontario, to be brought on-stream over the next four (4) years. These are dedicated funds and cannot be spent for any purpose other than increase staffing levels within the specific job classification that the funding is allocated to. In order to receive provincial funding, long-term care providers must maintain their existing contribution levels and strictly adhere to the terms and conditions specified in the Service Agreement. The Division will receive over \$3.1 million in RPN and PSW funding in 2009. An additional \$1.0 million for RNs is also expected in 2009. Long-term care providers are required to account for the expenditure of these funds separately from all other funds provided. While the additional resources are badly needed, the heavy restrictions are not supported. As a result, the Division will continue to press for these prescriptive requirements to be modified.

Health system accountability, capacity and improved measurement of health care processes led the MOHLTC to introduce RAI-MDS (resident assessment instrument-minimum data sets) in 2005, through a pilot project in volunteer long-term care homes (the Division participated). The focus of RAI-MDS is on outcome-based care and increases reliance on information technology in health care. RAI-MDS is intended to enhance standards of care and quality through benchmarking. The MOHLTC continues to invest in RAI-MDS roll-out across Ontario and it is expected that all homes will be on this system by early 2010. All of the Division's homes have now implemented RAI-MDS, which has also placed pressure on existing resources. The next step in the MOHLTC's roll-out of RAI-MDS is to link funding to the assessed care levels. The Division's senior staff has been working with the MOHLTC to guide the development of a Case Mix Index (CMI) that will serve as a funding measurement tool and allocation mechanism. Discussions include the need to carefully plan the implementation through a fair and equitable transition process as it is expected that funding allocations may vary dramatically from the current approach to funding. Given the funding pressures facing long-term care homes, a timely decision in a new provincial funding approach is needed.

(vi) Long-Term Care Homes Capital Renewal Strategy

On July 31, 2007, the provincial government announced plans to redevelop 35,000 older long-term care beds in five (5) phases over the next 10-15 years. The MOHLTC plans to redevelop all B and C homes at a rate of 7,000 beds every two (2) years. The MOHLTC released program and funding details on November 26, 2008, through a formal briefing session to Long-Term Care Home provider associations. The MOHLTC indicated that proposals will be invited beginning in January 2009 with a fairly short turnaround time and construction of the initially approved projects is expected to begin later in 2009 (with

completion date of 2010-2011). The MOHLTC funding formula has been updated to “take into account the changing construction costs” in Ontario.

The City of Toronto has six (6) homes classified as either B or C. Each of the homes will require redevelopment or retrofitting within the next 10-15 years, through a prioritized multi-year redevelopment plan. The selection criteria for the phase one redevelopment projects are being developed by the MOHLTC and LHINs. The application process will begin in January 2009 and once LHINs receive applications and screen based on local criteria, each LHIN will forward their preferred list to the MOHLTC for final review and selection. It is reasonable to conclude that the City would be invited to take part in the first phase, given the number of homes identified for redevelopment.

Home	Ward	Structural Classification	Last Renovation	Initially Constructed
Castlevue Wychwood Towers	21	C	1975	1975
Cummer Lodge	24	A	2000	1970
Kipling Acres	2	B	1986	1959
Bendale Acres	38	A	1995	1965
Fudger House	28	B	1985	1965
Seven Oaks	43	C	1988	1988
Wesburn Manor	3	A	2004	2004
True Davidson Acres	31	A	2005	1973
Lakeshore Lodge	6	C	1990	1990
Carefree Lodge	24	C	1991	1967

The redevelopment of the B and C homes creates an opportunity for the Division to assertively act on and support the City’s housing opportunities strategy in targeted neighbourhoods throughout the city. Rather than simply rebuild the identified long-term care homes, there is a unique opportunity to develop “campuses of care”, providing a variety of community services such as supportive, assistive and/or independent housing, a community centre, with space for services such as a wellness centre, community agency and general community usage, integration with and other City services and selected retail space all within the same campus. Currently, Kipling Acres has on-site childcare, operated by the Children’s Services Division, an adult day centre and a meals-on-wheels program. Opportunity exists to expand the scope of City services on the campus.

The campus of care model is a concept that is well-developed in other jurisdictions, such as British Columbia, where the first campus of care opened in 2005. The campus of care model offers a range of housing and care options in one location, from independent housing to assisted living (supportive housing) and complex care. The Centre for Healthy Aging defines a campus of care as being “co-located facilities that operate as a single community”, with stress on the word “community”. Studies show that seniors who are engaged with their communities stay healthier longer. Through providing other

community and retail space on the same site, campuses of care create a community hub for tenants, residents and the community-at-large.

Kipling Acres, which is located in North Etobicoke (Ward 2), is past its building life expectancy and is the Division's highest priority for redevelopment. The redevelopment of Kipling Acres presents a unique opportunity to introduce the campus of care concept as an improved service delivery model in a priority neighbourhood. North Etobicoke is in dire need of affordable housing (with supportive services) for seniors. The Division's work with community agencies in the area provides evidence that small agencies are often unable to find space for day-to-day functioning and/or for periodic larger events. Leasehold arrangements could provide ongoing revenue to the campus of care. A small retail component would bring value to this North Etobicoke neighbourhood.

The Division's plan is to have Kipling Acres redeveloped in 2009-2011 into two campuses of care, with each site providing a long-term care home, supportive housing and a range of community and inter-Divisional services that respond to multiple City priorities in a priority neighbourhood. The existing 337 beds are more than the ideal number of beds for a single home under the MOHLTC's new design guidelines. The current site would accommodate 192 beds and the remaining 145 beds would be transferred to a second site.

The campus of care concept has the potential to extend to other homes scheduled for redevelopment in the Division's 2009-2018 Capital Program, such as Fudger House and Carefree Lodge (targeted for 2011 to 2013) and Castlevue Wychwood Towers (targeted for 2013 to 2015). Lakeshore Lodge and Seven Oaks require less robust capital projects, as they are newer physical plants. Retrofitting is targeted for 2014-2018 to upgrade the physical environment as needed to achieve compliance with the new design guidelines.

The new construction per diem base will be \$13.30 for a 25-year period (previously \$10.35 for a 20-year period). Incremental adjustments based on bed size will be available for economies of scale, premiums for meeting local need for additional basic beds (LHIN-specific) and meeting the LEED Silver environmental standard. Not-for-profit providers (including municipalities) will be able to apply for a grant up to \$250,000. The Leadership in Energy and Environmental Design (LEED) Green Building Rating System™ encourages and accelerates global adoption of sustainable green building and development practices through the creation and implementation of universally understood and accepted tools and performance criteria.

The MOHLTC is fast-tracking a brief online survey of homes early in January to gauge phase one and subsequent phase demand by LHIN. The survey will also collect information about the nature of planned redevelopments. It is anticipated that the redevelopment of Kipling Acres into a campus of care will be considered a priority by the MOHLTC and LHIN. Should the Kipling Acres redevelopment project not proceed in 2009 as proposed in the Division's capital plan and budget submission, there are major repairs and upgrades needed to safely maintain the existing physical plant beyond 2011.

This report recommends that City Council authorize the General Manager of the Long-Term Care Homes and Services to initiate an application for the redevelopment of Kipling Acres as and when the MOHLTC/LHINs invites applications to solicit interest and willingness to redevelop B or C homes. This authorization would enable the Division to begin discussions with the MOHLTC/LHINs regarding how to move this innovative project forward.

This report also recommends a seed funding of \$2.0 million from the Long-Term Care Homes and Services (HFA) Capital Reserve Fund to enable the Division to begin planning and architectural design work so the Division's 2010-2019 Capital Program contains solid financial estimates. It is estimated that about \$3 million in avoidable costs will be incurred if the redevelopment project is not initiated within the next year. A project plan and budget for the Kipling Acres redevelopment project(s) will need to be developed and approved by City Council as part of the City's budget approval process in 2009.

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