



Toronto 2016 BUDGET

OPERATING PROGRAM SUMMARY



Long-Term Care Homes & Services

2016 OPERATING BUDGET OVERVIEW

Long-Term Care Homes & Services (LTCHS) provides a continuum of high quality long-term care services to eligible adults in both long-term care homes and the community. LTCHS are leaders in excellence and ground-breaking services for healthy aging.

2016 Budget Highlights

The total cost to deliver these services to Toronto residents is \$253.489 million gross and \$47.413 million net as shown below.

in \$000's)	2015		Change	
	Approved	2016 Budget	\$	%
Gross Expenditures	242,138.6	253,489.7	11,351.1	4.7%
Gross Revenues	195,942.6	206,076.7	10,134.1	5.2%
Net Expenditures	46,196.0	47,413.00	1,217.0	2.6%

For 2016, the opening net pressure was \$1.585 million primarily driven by the operating impact of reopening Kipling Acres Phase II facility. These pressures were partially offset by Ministry of Health and Long-Term Care (MOHLTC) user fee rate increase for basic and preferred accommodations, as well as base expenditure and efficiency savings. As a result, Long-Term Care Homes & Services' 2016 Operating Budget is \$1.217 million higher than 2015.

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Fast Facts

- LTCHS offers long-term care homes providing permanent, convalescent, and short-stay admissions; community based programs; including adult day programs, supportive housing services, and homemaking services.
- Supportive 24 hour assistance Housing Services at 9 sites to 525 seniors. Residents come from 50 countries of origin, communicate in 38 languages and practice 34 faith denominations.
- 2,200 volunteers providing over 134,000 hours per year.
- Approximately 2,600 clients throughout the City assisted to remain in their own homes by Homemakers and Nurses Services program.

Trends

- The senior's population is growing rapidly. The population of Toronto's seniors is projected to increase by one-third, close to half a million residents or 17 % of the City's population by 2031.
- LTCHS provides surveys to clients and residents to assess their level of satisfaction with services provided by *Long-Term Care Homes & Services*.
- As shown in the chart below, long-term care homes have historically experienced high satisfaction ratings.

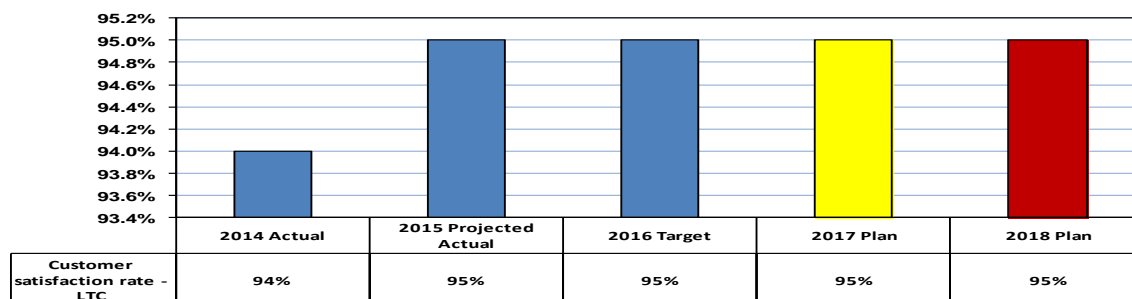
Our Service Deliverables for 2016

Long-Term Care Homes & Services provides a variety of exemplary services along a comprehensive and flexible continuum of care – from enabling vulnerable individuals to continue living in the community to healthy aging and quality end-of-life care in LTCHS' homes.

The 2016 Operating Budget will:

- Support the Toronto Seniors Strategy to meet growing demand for long-term care services resulting from changing demographics and new populations.
- Re-open Kipling Acres Phase II, 145 bed long-term care home and community hub bringing the original 337 bed site back into full service.
- Initiate implementation of the 2016-2020 Service Plan's main priority areas: Deliver exemplary care and services, serve vulnerable individuals and respond to emerging needs; and lead advances in long-term care and support services to seniors.
- Undertake a comprehensive division-wide national accreditation process in partnership with an expert external team of reviewers.
- Continue to provide 14,000 client days of service for Adult Day Programs; continue to provide 525 clients with Supportive Housing Services, 86,000 client visits per year under the Homemakers and Nurses Services.

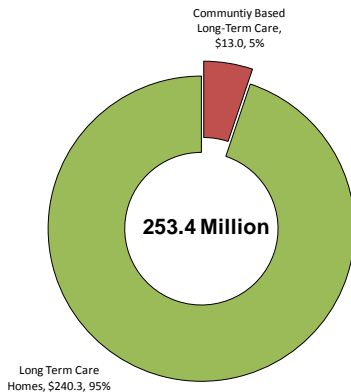
Long-Term Care Homes Resident Satisfaction Rate



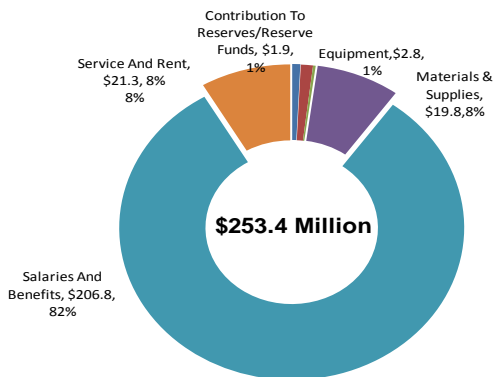
2016 Operating Budget Expenses & Funding

Where the money goes:

2016 Budget by Service

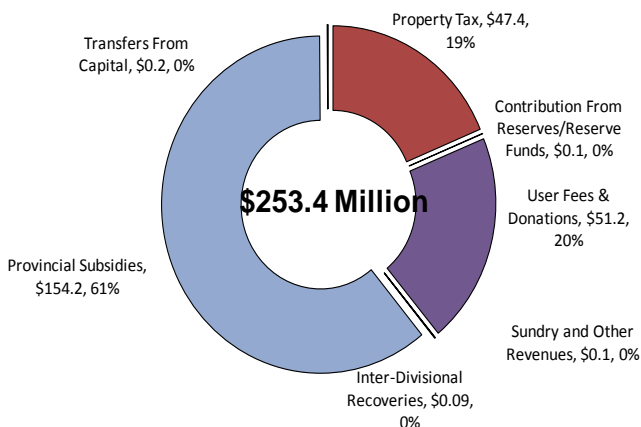


2016 Budget by Expenditure Category



Where the money comes from:

2016 Budget by Funding Source



Our Key Issues & Priority Actions

- Respond to increasingly complex and rising needs of LTC residents

LTCHS will continue to provide service through permanent admission, short stay and convalescent care for residents with multiple diagnoses and complex care needs.

- ✓ The 2016 Operating Budget includes \$2.618 million in increased Provincial funding to address rise in resident acuity, as funding of \$0.734 million to support individuals living in the community to maintain their independence as well as \$0.150 million additional funding for the expansion of Homemakers and Nurse Services (HMNS) program to reach 400 additional clients.

- ✓ LTCHS will maintain an occupancy rate of 97% or higher to respond to community needs while maximizing provincial and LHIN subsidies.

- ✓ LTCHS will continue to advocate for additional funding from the Province.

2016 Operating Budget Highlights

- The 2016 Operating Budget for Long-Term Care Homes & Services of \$253.489 million gross and \$47.413 million net provides funding for two services, Long-Term Care Homes and Community Based Long-Term Care program.
- The budget as presented is \$1.217 million or 2.6% over the 2015 Approved Budget. The following measures were taken:
 - ✓ The identification of sustainable, on-going 1% in efficiency savings / productivity gains (\$0.519 million); and
 - ✓ Resident accommodation fees were increased in accordance with provincial regulations.
- Any further reductions are not included as they would negatively impact service levels.

II: COUNCIL APPROVED BUDGET

City Council approved the following recommendations:

1. City Council approve the 2016 Operating Budget for Long-Term Care Homes & Services of \$ of \$253.489 million gross, \$47.413 million net for the following services:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Community Based Program:	13,097.4	1,545.3
Long-Term Care Homes:	240,392.3	45,867.6
Total Program Budget	<u>253,489.7</u>	<u>47,412.9</u>

2. City Council approve the 2016 service levels for Long-Term Care Homes & Services as outlined on pages 13 and 16 of this report, and associated staff complement of 2,372 positions.
3. City Council direct the General Manager, Long Term Care Homes and Services, in consultation with the Deputy City Manager and Chief Financial Officer and the Toronto Office of Partnerships, to report to the Community Development and Recreation Committee with a sustainable funding and program delivery strategy for religiously appropriate meals in City of Toronto Long Term Care facilities, for consideration as part of the 2017 Budget Process, such that they conform to orders by the Inspection Report under the Long Term Care Homes Act and meet the goals of the 2016-2020 Toronto Long Term Care Homes and Service Plan. Such a process should include but not be restricted to meeting with key stakeholders, such as the Multi-faith Alliance, community representatives and faith leaders as well as private sector donors and other potential partners.



Part I:

2016 – 2018

Service Overview and
Plan

Program Map

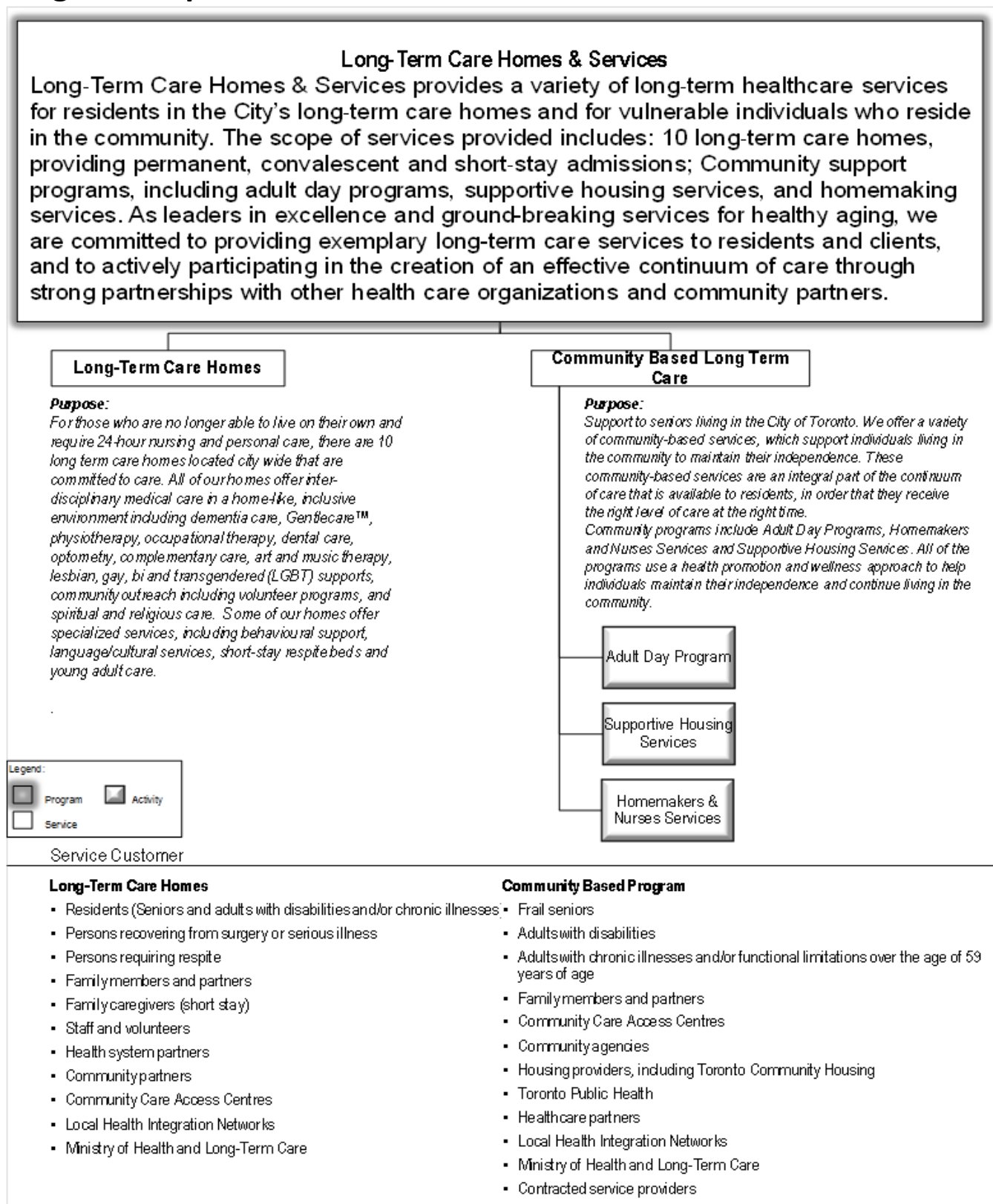


Table 1
2016 Operating Budget and Plan by Service

(In \$000s)	2015		2016 Operating Budget				Incremental Change 2017 and 2018 Plan					
	Approved Budget	Projected Actual	2016		2016 vs. 2015 Budget			2017		2018		
			2016 Base	New/Enhanced	2016 Budget	Approved Changes						
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%	
Community Based Long-Term Care												
Gross Expenditures	12,183.8	12,183.8	12,347.4	750.0	13,097.4	913.6	7.5%	6.7	0.1%	23.4	0.2%	
Revenue	10,788.5	10,788.5	10,952.1	600.0	11,552.1	763.6	7.1%					
Net Expenditures	1,395.3	1,395.3	1,395.3	150.0	1,545.3	150.0	10.8%	6.7	0.4%	23.4	1.5%	
Long Term Care Homes												
Gross Expenditures	229,954.8	229,988.3	240,392.3		240,392.3	10,437.5	4.5%	3,114.2	1.3%	860.4	0.4%	
Revenue	185,154.1	185,154.2	194,524.6		194,524.6	9,370.5	5.1%	1,866.3	1.0%			
Net Expenditures	44,800.7	44,834.1	45,867.7		45,867.7	1,067.0	2.4%	1,247.9	2.7%	860.4	1.8%	
Total												
Gross Expenditures	242,138.6	242,172.1	252,739.7	750.0	253,489.7	11,351.1	4.7%	3,120.9	1.2%	883.8	0.3%	
Revenue	195,942.6	195,942.7	205,476.7	600.0	206,076.7	10,134.1	5.2%	1,866.3	0.9%			
Total Net Expenditures	46,196.0	46,229.4	47,263.0	150.0	47,413.0	1,217.0	2.6%	1,254.6	2.6%	883.8	1.8%	
Approved Positions	2,225.9	2,225.9	2,372.0		2,372.0	146.1	6.6%					

The Long-Term Care Homes & Services' 2016 Operating Budget is \$253.489 million gross and \$47.413 million net, representing a 2.6% increase over the 2015 Approved Net Operating Budget and includes reductions to achieve the reduction target as set out in the 2016 Operating Budget Directions and Guidelines.

- Base pressures in the Long-Term Care Homes service are due to the re-opening of Kipling Acres Phase II facility (\$1.529 million net), known salary and benefit adjustments (\$0.418 million net) as well as other corporate inflationary increases that are driving the overall costs for the Program.
- The above pressures were partially mitigated by revenue adjustments due to increased accommodation fees (basic and preferred) of \$0.828 million and efficiency savings of \$0.518 million net.
- The 2016 Operating Budget includes new funding of \$0.750 million gross and \$0.150 million net for the Expansion of the Homemakers and Nurse Services (HMNS) Program. This will increase the capacity of the existing program by 31,200 additional hours of homemaking services to reach 400 additional clients.
- Approval of the 2016 Operating Budget will result in Long-Term Care Homes & Services increasing its total staff complement by 146.1 positions from 2,225.9 to 2,372.0
- The 2017 and 2018 Plan increases are attributable to the annualized impact of adding 115.6 positions for Kipling Acres Phase II.

Table 2
Key Cost Drivers

(In \$000s)	2016 Operating Budget				2016 Base Budget	
	Community Based Long-Term Care		Long-Term Care Homes		Total	
	\$	Position	\$	Position	\$	Position
Gross Expenditure Changes						
Economic Factors						
Corporate Economic Factors (Utilities, Contracted Services)	0.1		547.9		548.0	
Salaries and Benefits						
Progression Pay, Salary Increase (Step Included) and Benefits Adjustments	30.3	0.1	387.3	(0.1)	417.6	
Other Base Changes						
IDC/IDR's (Solid Waste, Children Services, Parks, Forestry & Recreation, Facilities, Real Estate, Environment & Energy)	(0.4)		(64.3)		(64.7)	
Kipling Acres - Return to Service of 145 Beds (8 months)			6,949.8	115.6	6,949.8	115.6
Resident Acuity and Service Level Standards			2,618.0	30.9	2,618.0	30.9
Wage Enhancement for Personal Support Workers (PSW)	133.6				133.6	
2016 Leap Year Impact			517.2		517.2	
Total Gross Expenditure Changes	163.6	0.1	10,955.9	146.4	11,119.5	146.5
Revenue Changes (Increase) / Decrease						
Increase in User Fees	(30.0)		(798.1)		(828.1)	
IDC/IDR's (Solid Waste, Children Services, Parks, Forestry & Recreation, Facilities, Real Estate, Environment & Energy)			(16.9)		(16.9)	
Kipling Acres - Return to Service of 145 Beds (8 months)			(5,420.3)		(5,420.3)	
Resident Acuity and Service Level Standards			(2,618.0)		(2,618.0)	
Wage Enhancement for Personal Support Workers (PSW)	(133.6)				(133.6)	
2016 Leap Year Impact			(413.8)		(413.8)	
Tax Stabilization funding for Leap Year Cost			(103.4)		(103.4)	
Total Revenue Changes	(163.6)		(9,370.5)		(9,534.1)	
Net Expenditure Changes	0.0	0.1	1,585.4	146.4	1,585.4	146.5

Key cost drivers for Long-Term Care Homes & Services are discussed below:

- Salaries and Benefits
 - Non-union progression pay, union step increases and other known salary adjustments of \$0.418 million net are included in 2016. COLA is not included as it is subject to collective bargaining.
- Other Base Changes account for \$2.413 million net in base budget pressures as follows:
 - The Kipling Acres Phase II is scheduled to be completed on budget in May 2016, and 145 beds held in abeyance during construction, will be returned to service requiring 115.6 new positions, resulting in an operating impact of \$1.529 million net.
 - Resident acuity and associated service level standards will be fully funded by the Province. This funding will allow LTCHS to respond to higher levels of service, more complex interventions and provide additional registered and non-registered personnel in order to maintain service levels that are consistent with the rising care needs of residents.

- 2016 Leap year one-time adjustment was included to account for the 24 hours per day, 7 days per week operations at the long-term care homes. This one-time increase will be funded from the Tax Stabilization Reserve.

▪ Revenue Changes:

- LTCHS will adjust its basic and preferred accommodation rates as set out in provincial regulations which will result in \$0.828 million in additional revenues.

In order to offset the above net pressures, the 2016 service cost changes included for Long-Term Care Homes consists of efficiency savings of \$0.518 million as shown in the table below.

Table 3
2016 Service Change Summary

Description (\$000s)	2016 Service Changes				Total Service Changes			Incremental Change			
	Community Based Long-Term		Long-Term Care Homes		\$	\$	#	2017 Plan		2018 Plan	
	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
Service Efficiencies											
<i>Operating Efficiencies - Rationalize and Economize Resources</i>			(408.1)	(408.1)	(408.1)	(408.1)					
<i>Operating Efficiencies - Consolidate & Streamline Operations</i>			(110.4)	(110.4)	(110.4)	(110.4)	(0.4)	7.0		4.4	
Sub-Total			(518.5)	(518.5)	(518.5)	(518.5)	(0.4)	7.0		4.4	
Total Changes			(518.5)	(518.5)	(518.5)	(518.5)	(0.4)	7.0		4.4	

Service Efficiencies (Savings of \$0.518 million gross & \$0.518 million net)

Operating Efficiencies – Rationalize and Economize Resources

- The Program conducted a thorough line by line expenditure review to reflect actual historical expenditures. These reductions will have no impact on service levels.

Operating Efficiencies – Consolidate & Streamline Operations

- The Program will streamline its operations through the consolidation of administrative work, resulting in savings of \$0.110 million gross, net and a reduction of 0.43 FTE.

Table 4
2016 Total New & Enhanced Service Priorities

Description (\$000s)	New and Enhanced				Total New and Enhanced			Incremental Change			
	Community Based Long-Term Care		Long Term Care Homes		\$		Position	2017 Plan		2018 Plan	
	Gross	Net	Gross	Net	Gross	Net	#	Net	Pos.	Net	Pos.
New/Enhanced Services Priorities											
Expansion of the HMNS Program (Poverty Reduction)	750.0	150.0			750.0	150.0					
Total	750.0	150.0			750.0	150.0					

New/Enhanced Service Priorities (\$0.750 million gross & \$0.150 million net)

- At its meeting of November 3rd, 2015, City Council adopted EX 9.5 *"TO Prosperity: Toronto Poverty Reduction Strategy"* which included the recommendation to implement the 2016 Annual Work Plan and recommended several initiatives with financial impacts to the City Manager for consideration as part of the 2016 Budget Process.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX9.5>
- The 2016 Operating Budget includes funding of \$0.750 million gross and \$0.150 million net for the "Expansion of the Homemakers and Nurse Services (HMNS)" to increase the capacity of the existing program by 31,200 additional hours of homemaking services to reach 400 additional clients.

Table 5
2017 and 2018 Plan by Program

Description (\$000s)	2017 - Incremental Increase					2018 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
Known Impacts:										
Salary and Benefit Changes	181.6		181.6	14.5%		857.0		857.0	0.0%	
IDC/IDR for West Acres Facility Rental at Kipling Acres		8.5	(8.5)	(0.7%)						
Kipling Acres - Return to Service of 145 Beds	3,140.0	2,375.0	765.0	61.0%						
Resident Acuity and Service Level Standards	8.5		8.5	0.7%		22.3		22.3	0.0%	
Reversal of 2016 Leap Year Impact	(517.2)	(413.8)	(103.4)	(8.2%)						
Other	6.7		6.7	0.5%		4.4		4.4	0.0%	
Economic Factors										
Divisional Economic Factors (mainly utilities and contracted services)	300.9		300.9	24.0%						
Revenue										
Reversal of Tax Stabilization for one extra day in 2016		(103.4)	103.4	8.2%						
Total Incremental Impact	3,120.5	1,866.3	1,254.2	0.0%		883.7		883.7	0.0%	

Future year incremental costs are primarily attributable to the following:

Known Impacts:

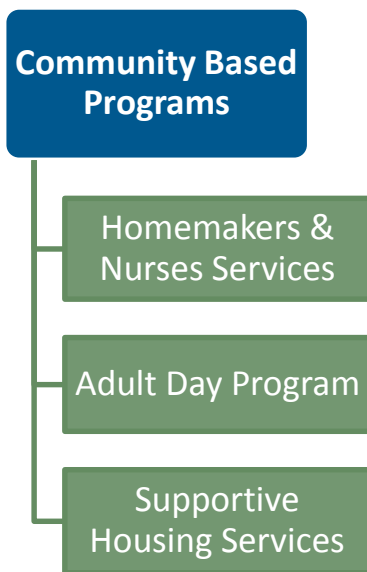
- Progression pay, step and fringe benefits increases will result in increased pressure of \$0.181 million net in 2017 and \$0.857 million net in 2018. Since 2016 is a collective bargaining year, no estimate of cost of living allowance is included.

- The re-opening of 145- bed home requires 115.6 new positions in 2016 with an annualized impact in 2017 and 2018 as shown in the table above. These estimates do not include provision for COLA which is subject to negotiations.
- The rise in Resident Acuity and Service Level Standards will increase by \$0.008 million and \$0.022 million in 2017 and 2018 respectively.



Part II:

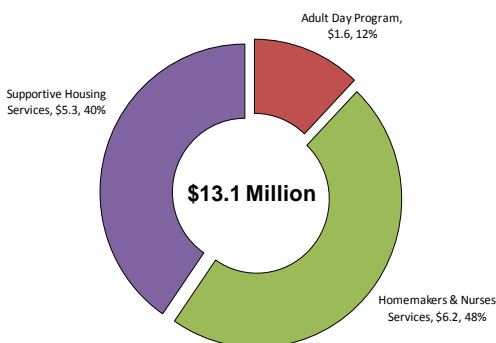
2016 Budget by Service



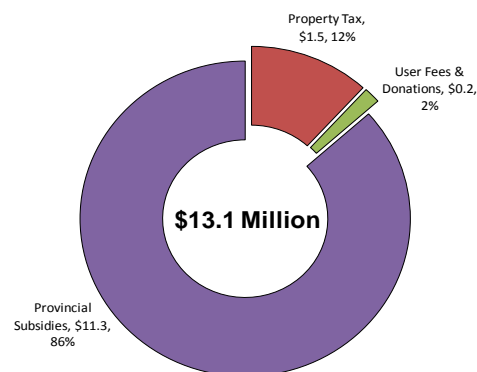
What We Do

- Provide quality care and services to improve or maintain the independence and quality of life of clients that may be isolated, vulnerable or would otherwise not be able to live independently in their homes.
- Provide day-time wellness programming, recreation and social activities for frail seniors living in the community.
- Provide supportive housing services such as light housekeeping and laundry, light meal preparation to eligible clients who are tenants in the nine designated supportive housing sites across the City.

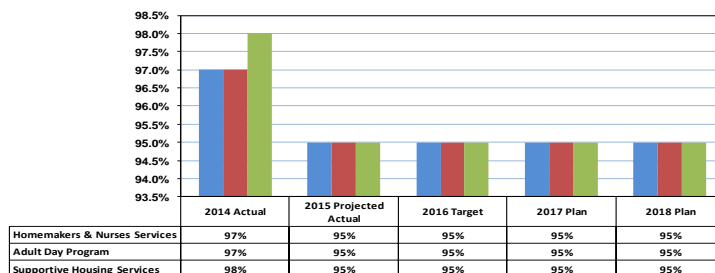
2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



Customer Satisfaction Rate



- LTCHS performs surveys for clients to assess their level of satisfaction with services provided by the Program.
- The levels of satisfaction for the 3 activities included in the Community Based Program are expected to remain at or above the 95% divisional threshold for the next 3 years.

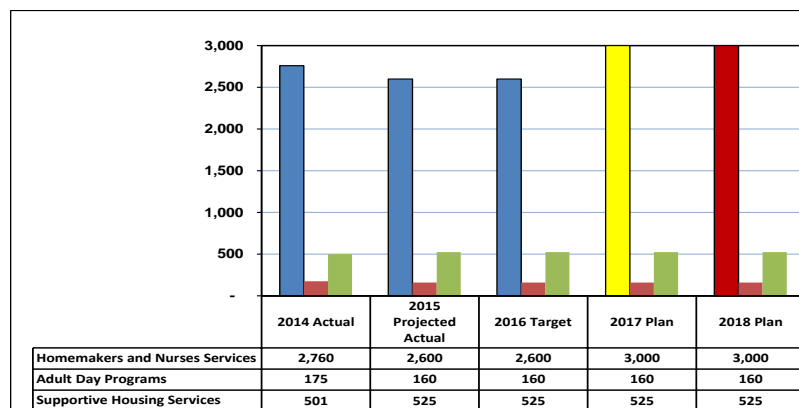
2016 Service Levels Community Based Programs

Activity	Type	Status	2012	2013	2014	2015	2016
Adult Day Program	Adult Day Services	Approved	Mon-Fri, 52 Weeks/year			Service Availability (Adult Day Programs): Mon-Fri, 52 weeks/year	
Supportive Housing Services	Personal Care and Homemaking	Approved	24 hours/day, 365 day/year			Service Availability (Supportive Housing Services): 24 hours/day, 365 day/year	
Homemakers & Nurses Services	Homemaking	Approved	Mon-Fri, 52 Weeks/year			Service Availability (Homemakers & Nurses Services): Mon-Fri, 52 weeks/year	

The 2016 Service Levels for Community Based Program Service are consistent with 2015 approved Service Levels.

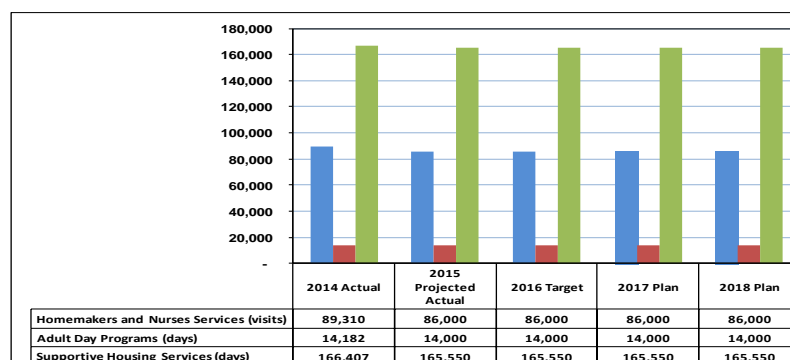
Service Performance

Number of clients served



- The number of clients served in the Homemakers & Nurses Services are expected to increase by 400 additional clients in 2017 and beyond as a result of the increased investment. With 2016 being the transition year wherein the assessment of individuals on the waiting list will be initiated.

Number of visits (client days)



- The number of client visits in Homemakers & Nurses Services, Adult day Programs and Supportive Housing Service will be maintained at 2014 levels. The 2015 levels will be maintained throughout 2018.

Table 6
2016 Service Budget by Activity

	2015	2016 Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Base Budget vs. 2015 Budget			New/Enhanced	2016 Budget	2016 Budget vs. 2015 Budget		2017 Plan		2018 Plan	
	(\$000s)	\$	\$	2016 Base	% Change	% Change	\$	\$	\$	%	\$	%	\$	%
GROSS EXP.														
Adult Day Program	1,557.9	1,587.9		1,587.9	30.0	1.9%		1,587.9	30.0	1.9%	2.5	0.2%	5.6	0.4%
Homemakers & Nurses Services	5,471.6	5,471.6		5,471.6			750.0	6,221.6	750.0	13.7%	3.2	0.1%	10.9	0.2%
Supportive Housing Services	5,154.3	5,287.9		5,287.9	133.6	2.6%		5,287.9	133.6	2.6%	1.1	0.0%	6.8	0.1%
Total Gross Exp.	12,183.8	12,347.4		12,347.4	163.6	1.3%	750.0	13,097.4	913.6	7.5%	6.7	0.1%	23.4	0.2%
REVENUE														
Adult Day Program	1,557.9	1,587.9		1,587.9	30.0	1.9%		1,587.9	30.0	1.9%				
Homemakers & Nurses Services	4,076.3	4,076.3		4,076.3			600.0	4,676.3	600.0	14.7%				
Supportive Housing Services	5,154.3	5,287.9		5,287.9	133.6	2.6%		5,287.9	133.6	2.6%				
Total Revenues	10,788.5	10,952.1		10,952.1	163.6	1.5%	600.0	11,552.1	763.6	7.1%				
NET EXP.														
Adult Day Program											2.5		5.6	
Homemakers & Nurses Services	1,395.3	1,395.3		1,395.3	(0.0)	(0.0%)	150.0	1,545.3	150.0	10.8%	3.2	0.2%	10.9	0.7%
Supportive Housing Services											1.1		6.8	
Total Net Exp.	1,395.3	1,395.3		1,395.3	(1.0)	(2.3%)	150.0	1,545.3	150.0	10.8%	6.7	0.4%	23.4	1.5%
Approved Positions	44.1	44.2	(1.1)	43.1	(1.0)	(2.3%)		43.1	(1.0)	(2.3%)				

The **Community Based Programs** provides quality care and services to improve or maintain the independence and quality of life of individuals living in the community. These services are an essential part of the continuum of care that is available to residents to ensure they receive the right level of care at the right time and in the right place.

- The 2016 Operating Budget of \$13.097 million gross and \$1.545 million net for this service is \$0.150 million or 10.8% over the 2015 Approved Net Budget.
- Base pressures are primarily attributed to known salary and benefit adjustments which have been partially offset by increased client fees.
- MOHLTC and LHIN will provide additional funding of \$0.133 million to support the final phase of the hourly wage increase for the Personal Support Workers (PSWs) that work in the community care sector. The MOHLTC increased the hourly rate for community agency personal support workers by \$4.00. The initiative will be fully funded by the province with no impact to the City.

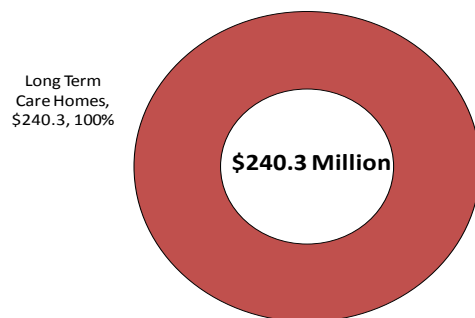
Long-Term Care Homes

Long-Term Care Homes

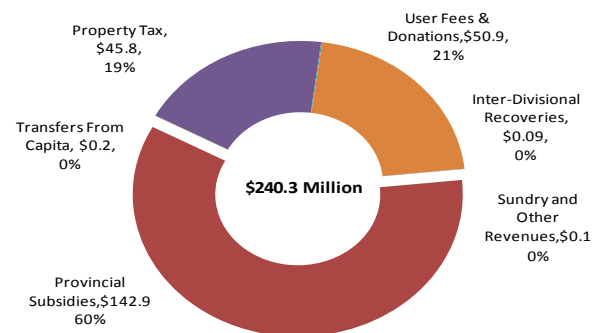
What We Do

- Provide continuum of long-term care and services for residents with various diagnoses and multiple degrees of physical frailties, cognitive impairments and complex care needs.
- Provide a short-stay admission program, stroke rehabilitation, convalescent care programs, specialized behavioural support services.

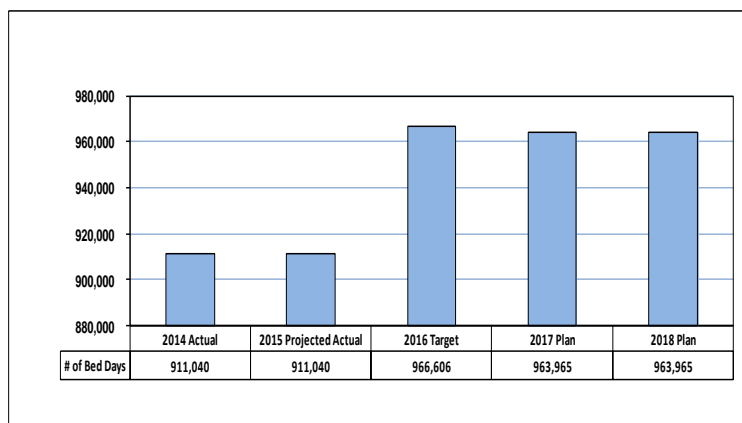
2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



Number of bed days



- The total number of bed days available for use by long-term care homes residents will increase in 2016 due to it being a leap year as well as a result of the re-opening of 145-bed Kipling Acres long-term care home.

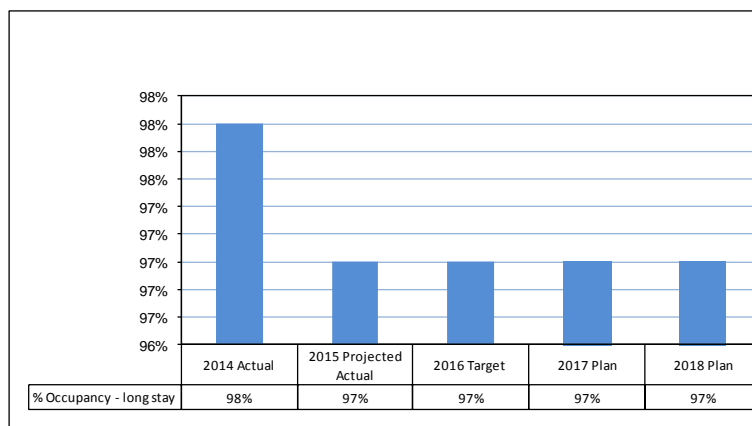
2016 Service Levels Long-Term Care Homes

Activity	Type	Status	2012	2013	2014	2015	2016
	Resident Care - Long Stay	Approved	97% Occupancy			Service Availability (Long-Term Care Homes): 24 hours/day, 365 days/year	
	Resident Care - Short Stay	Approved	50% Occupancy				
	Convalescent Care	Approved	80% Occupancy				
	Behavioural Support Care	Approved					

The 2016 Service Levels are consistent with the approved 2015 Service Levels for Long-Term Care Homes Service.

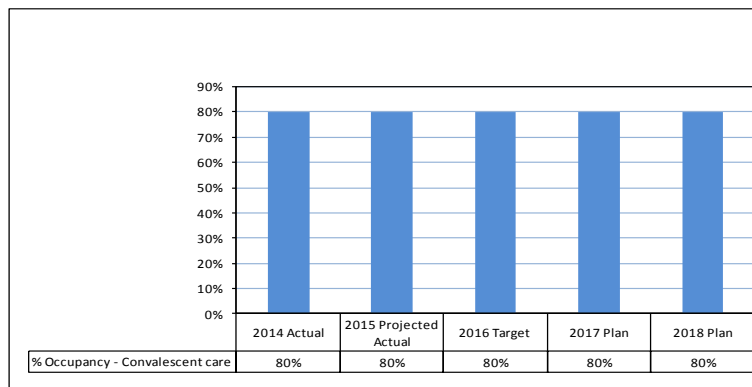
Service Performance

Occupancy Rate for Long-Stay Program



- The occupancy rate for the long-stay program will remain at 97% for the next 3 years.

Occupancy Rate for Convalescent Care Program (CCP)



- The occupancy rate for the Convalescent Care Program (CCP) will be maintained at 80% for the next 3 years.
- The Convalescent Care Program provides 24-hour care to seniors who require specific medical and therapeutic services in a supportive environment for a period of up to 90 continuous days.

Table 6
2016 Service Budget by Activity

	2015	2016 Operating Budget							2016 Budget vs. 2015 Budget		Incremental Change			
	Approved Budget	Base Budget	Service Changes	2016 Base	Base Budget vs. 2015 Budget	% Change	New/Enhanced	2016 Budget			2017 Plan		2018 Plan	
	(\$000s)	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
GROSS EXP.														
Long Term Care Homes	229,954.8	240,910.8	(518.5)	240,392.3	10,437.5	4.5%		240,392.3	10,437.5	4.5%	3,114.2	1.3%	860.4	0.4%
Total Gross Exp.	229,954.8	240,910.8	(518.5)	240,392.3	10,437.5	4.5%		240,392.3	10,437.5	4.5%	3,114.2	1.3%	860.4	0.4%
REVENUE														
Long Term Care Homes	185,154.1	194,524.6		194,524.6	9,370.5	5.1%		194,524.6	9,370.5	5.1%	1,866.3	1.0%		
Total Revenues	185,154.1	194,524.6		194,524.6	9,370.5	5.1%		194,524.6	9,370.5	5.1%	1,866.3	1.0%		
NET EXP.														
Long Term Care Homes	44,800.7	46,386.2	(518.5)	45,867.7	1,067.0	2.4%		45,867.7	1,067.0	2.4%	1,247.9	2.7%	860.4	1.8%
Total Net Exp.	44,800.7	46,386.2	(518.5)	45,867.7	1,067.0	2.4%		45,867.7	1,067.0	2.4%	1,247.9	2.7%	860.4	1.8%
Approved Positions	2,181.8	2,328.2	0.7	2,328.9	147.1	6.7%		2,328.9	147.1	6.7%		0.0%		

Long-Term Care Homes provides a variety of long-term health care services for residents and actively participate in creating an integrated healthcare system through strong partnerships with other stakeholders and community partners.

The Long-Term Care Homes' 2016 Operating Budget of \$240.392 million gross and \$45.867 million net is \$1.067 million or 2.4% over the 2015 Approved Net Budget.

Base budget pressures in Long-Term Care Homes service are primarily due to the following:

- Re-opening of Kipling Acres 145 bed long-term care home in May 2016, will result in operating impact of \$6.949 million gross, \$1.529 million net for operating the new home.
- The additional non-payroll costs of \$0.103 million to operate 1 extra day in 2016 to be funded on a one-time basis from the Tax Stabilization Reserve Fund.
- Other base pressures arising from salary and benefit adjustments and inflationary increases in non-payroll expenditures were partially offset by base expenditure reductions, efficiency savings as well as accommodation fee adjustments to resident fees for basic and preferred accommodations.



Part III:

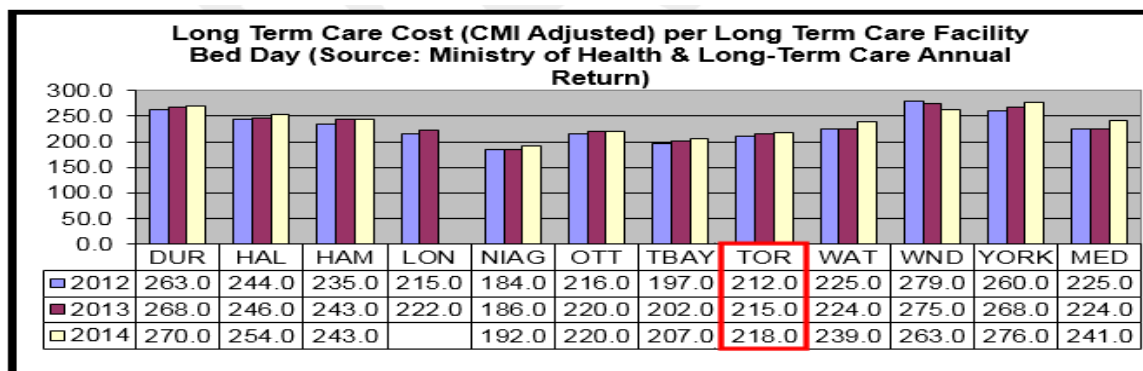
Issues for Discussion

Issues for Discussion

Issues Impacting 2016 Budget

Provincial Funding Uncertainty

- As the provider of a wide range of long-term care services to diverse clients, LTCHS faces several challenges resulting from a complex and variable funding model. MOHLTC funding fluctuates from year-to-year requiring the Program to aggressively pursue all available grants, subsidies and revenues making in-year service adjustments as necessary.
- The 2016-2020 Long-Term Care Homes & Services (LTCHS) Service Plan approved by City Council in November 2015 focuses on three priority areas: delivering exemplary care and services through a continuum of care; serving vulnerable individuals and responding to emerging community needs; and leading advances in long-term care and support services to seniors.
- LTCHS serves a diverse population, from young adults with severe disabilities to seniors with cognitive impairments, medical complexities and behavioural challenges. Aging demographics, rising acuity and demand for specialized services requires an investment in increased training, specialized services and new approaches to care.
- LTCHS has residents that require increasingly complex interventions including challenging behaviours, associated dementias and mental illnesses. In fact, long-term care homes now have a high proportion of residents with psychiatric or mood disorders (38 %), Alzheimer's and other dementias (61 %), and aggressive behaviour (46 %).
- Furthermore, complex health needs are expected to rise dramatically. The Alzheimer Society of Ontario (2012) notes the number of seniors with dementia in Ontario is nearly 200,000; and represents an increase of 16 % over the past four years. By 2020, it is expected that close to one quarter of a million seniors in Ontario will be living with dementia.
- From a funding perspective, rising acuity levels means higher levels of service, more complex interventions, and additional registered and non-registered staff required to support the relative intensification in residents' needs for nursing, personal care, restoration and rehabilitation.
- The chart below compares the cost of operating a long-term care bed for one day in Toronto with other municipalities. Although the costs in Toronto are in the lower percentile compared to other municipalities, the overall costs continue to increase year over year.



- The increasing needs in the communities are pushing service demands upwards that will require increased levels of Provincial funding or alternate funding sources and support through new partnerships. Ongoing sustainable level of provincial funding is critical to address the rise in acuity as well as the growing demand for specialized services.
- The 2016 Operating Budget includes enhanced funding from the Province to address some of the challenges stated above. \$7.465 million increase Provincial subsidies is included to address base pressures and is subject to confirmation through the 2016 Provincial Budget. Expenditures will not be incurred until the funding is confirmed and received by the MOHLTC.
- The 2016 Operating Budget includes additional funding of \$2.618 million gross, \$0 net and 30.92 positions – (8.32 permanent F/T and 22.6 permanent P/T) to address rising acuity pressures. The \$2.618 million will be fully funded by the MOHLTC with no net impact to the City.
- LTCHS will continue to advocate for increased Provincial funding and pursue other funding opportunities and partnerships for additional programs, services and specialized units to fulfill its mandate and to continue to meet the increasingly complex community needs.

Kipling Acres Redevelopment Update - "Major Capital Project"

- The Kipling Acres redevelopment project (\$102.000 million gross/\$55.777 million debt) was developed in two phases (the 192-beds and 145-beds), on the existing site. Upon completion, the redevelopment will provide beds for 337 residents, the same number of beds in the reconstructed facility as were provided prior to the reconstruction.
- The timing of the reconstruction in the original project plan was based on the re-opening of the 192-bed home in 2013, followed by the re-opening of 145 bed Phase II of the home in 2016. The anticipated operating impacts resulting from the re-opening of the 145 bed addition was originally planned to be offset by the savings resulting from the elimination of the nursing staff shift overlap, which produced savings of \$2.176 million between 2013 and 2015.
- However, the construction of the 192-bed home was delayed, resulting in occupancy for residents in 2014. Consequently, the construction of the 145-bed addition was delayed and is now scheduled to re-open in May 2016 adding net operating cost pressure of \$1.529 million in 2016 stemming from the need to add 115.6 positions to operate the home. The annualized impact of adding these positions in 2017 is estimated at \$0.765 million net.



Appendices:

Appendix 1

2015 Service Performance

2015 Key Service Accomplishments

In 2015, Long-Term Care Homes & Services accomplished the following:

- ✓ Enhanced care and services based on best practice information.
- ✓ Continued to expand the division's ability to serve individuals who are frequently unable to secure care and service through other providers (e.g. significant dementia, behavioral response issues, more complex care, specialized care and service).
- ✓ Developed 5-year service plan that details strategies and actions to improve and prioritize long-term care services provided by the City of Toronto.
- ✓ Hosted a bilingual Senior's Wellness Symposium to increase awareness of the services and programs available to francophones and bilingual speaking individuals, community agencies and health-care providers in the Toronto area.
- ✓ Celebrated 40 years of service at Castlerview Wychwood Towers and 25 years of service at Seven Oaks and at Lakeshore Lodge.
- ✓ Hosted Residents' Summits for 228 long-term care residents to network, share and learn from guest speakers and educational presentations.
- ✓ Made presentations at Accreditation Canada Quality Conference to national attendees on three (3) topics: Reducing Medication Interruptions, Implementing Effective Strategies to Reduce Restraint and Reducing the Potential of an Outbreak.
- ✓ Excellence in Volunteering Awards presented and celebration of support by approximately 2,200 people of all ages, neighborhoods and backgrounds that support the division by giving their time, energy, skills and passion to enhance the lives of residents and clients. 134,000 hours of volunteer service supports a variety of programs, such as recreation programs, gift shops, cultural and religious activities, outings and fundraising.
- ✓ Support for leadership excellence in healthy aging through continuous improvement, customer service, education, innovation, research, teamwork, partnerships and technology.
- ✓ Participated as an early adopter in *ConnectingGTA*, an electronic portal for healthcare service providers which allows clinicians to provide better, timelier and more coordinated care by sharing hospital reports, community documentation, imaging reports and lab data.

Appendix 2

2016 Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2013 Actual	2014 Actual	2015 Budget	2015 Projected Actual *	2016 Budget	2016 Change from 2015 Approved Budget		Plan	
	\$	\$	\$	\$	\$	\$	%	2017 \$	2018 \$
Salaries And Benefits	183,149.9	185,220.0	197,781.3	190,201.2	206,804.9	9,023.6	4.6%	209,624.9	210,508.7
Materials & Supplies	17,745.9	19,037.2	18,590.2	18,590.2	19,819.8	1,229.6	6.6%	20,120.7	20,120.7
Equipment	3,195.0	936.2	2,873.4	2,293.4	2,877.5	4.1	0.1%	2,877.5	2,877.5
Service And Rent	15,658.9	18,731.1	20,187.4	19,102.3	21,362.5	1,175.1	5.8%	20,612.5	20,612.5
Contribution To Reserves/Reserve Funds	1,809.4	1,809.4	1,901.5	1,901.5	1,901.5			1,901.5	1,901.5
Other Expenditures	79.0	191.7	114.9	114.9	98.3	(16.6)	(14.4%)	98.3	98.3
Inter-Divisional Charges	579.3	600.1	689.9	689.9	625.2	(64.7)	(9.4%)	625.2	625.2
Total Gross Expenditures	222,217.4	226,525.7	242,138.6	232,893.4	253,489.7	11,351.1	4.7%	255,860.6	256,744.4
Inter-Divisional Recoveries	123.0	69.1	72.8	72.8	89.7	16.9	23.2%	98.2	98.2
Provincial Subsidies	129,778.3	135,275.6	146,819.1	138,406.5	154,283.8	7,464.7	5.1%	155,645.0	155,645.0
User Fees & Donations	48,087.9	48,497.0	48,652.7	48,652.7	51,200.8	2,548.1	5.2%	51,200.8	51,200.8
Transfers From Capital			260.0	260.0	260.0			260.0	260.0
Contribution From Reserves/Reserve Funds				138.0	103.4	103.4			
Sundry and Other Revenues	290.2	312.0	138.0		139.0	1.0	0.7%	139.0	139.0
Total Revenues	178,279.4	184,153.7	195,942.6	187,530.0	206,076.7	10,134.1	5.2%	207,343.0	207,343.0
Total Net Expenditures	43,938.0	42,372.0	46,196.0	45,363.4	47,413.0	1,217.0	2.6%	48,517.6	49,401.4
Approved Positions	2,151.3	2,179.7	2,225.9	2,225.9	2,372.0	146.1	6.6%	2,372.0	2,372.0

* Based on the 9-month Operating Variance Report

For additional information regarding the 2015 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2015" approved by City Council at its meeting on December 9, 2015.

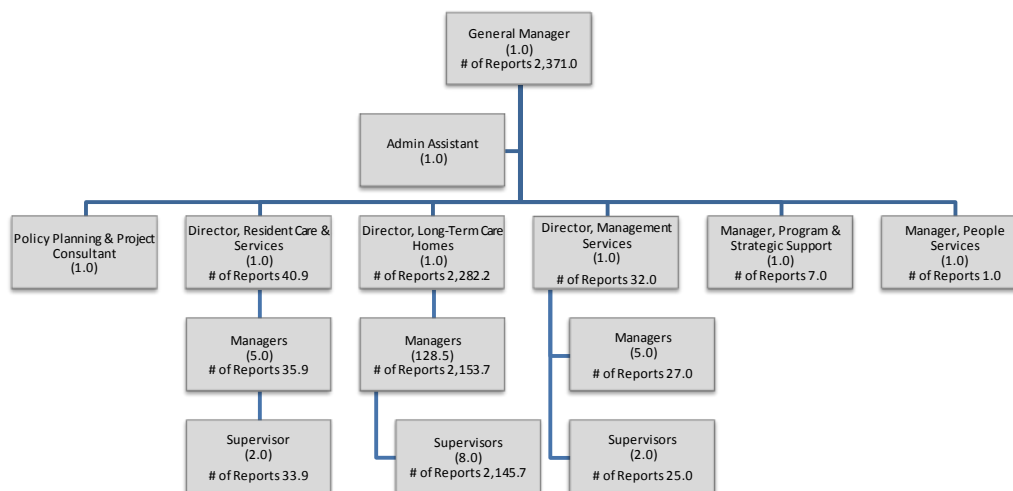
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BU13.6>

Impact of 2015 Operating Variance on the 2016 Budget

As the projected savings in 2015 are only one-time, there is no impact of the 2015 Operating Variance on the 2016 Operating Budget.

Appendix 3

2016 Organization Chart



2016 Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	1.0	164.6	2.0	2,204.4	2,372.0
Temporary					
Total	1.0	164.6	2.0	2,204.4	2,372.0

Appendix 4

Summary of 2016 Service Changes

2016 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Citizen Focused Services A	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
		Program - Long Term Care Homes & Services						
2016 Preliminary Base Budget Before Service Changes:			253,258.2	205,476.7	47,781.5	2,372.42	1,247.6	879.3
7828		Operating Efficiencies - Consolidate & Streamline Operations						
51	0	Description:						
Savings of \$0.110 million gross and net is included through a reduction in 0.43 FTEs. The division is streamlining its operations, with existing adminisitrative to pocitions to be consolidated into technical positions that will better meet the operational needs..								
Service Level Impact:								
The division will continue to provide high quality care and service through a realignment of position responsibilities, with no impact on service delivery.								
Service: HA-Communtiy Based Long-Term Care								
Preliminary Service Changes			0.0	0.0	0.0	(1.14)	0.3	(0.3)
Service: Long Term Care Homes								
Preliminary Service Changes			(110.4)	0.0	(110.4)	0.71	6.7	4.8
Total Preliminary Service Changes:			(110.4)	0.0	(110.4)	(0.43)	7.0	4.4

8606		Operating Efficiencies – Rationalize and Economize Resources						
51	0	Description:						
Savings of \$0.408 million gross and net are recommended resulting from a line-by-line review that aligns the budget with historical spending. LTCHS has conducted a thorough review of its budget on a service, activity and location basis and has adjusted its resources to meet resident/client care and service needs and to meet compliance with MOHLTC regulatory requirements.								
Service Level Impact:								
The savings realized will assist the division in meeting its budget reduction target, and will have no impact on service delivery.								
Service: Long Term Care Homes								
Preliminary Service Changes			(408.1)	0.0	(408.1)	0.00	0.0	0.0
Total Preliminary Service Changes:			(408.1)	0.0	(408.1)	0.00	0.0	0.0

2016 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Citizen Focused Services A	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
		Program - Long Term Care Homes & Services						
Summary:								
Total Preliminary Service Changes			(518.5)	0.0	(518.5)	(0.43)	7.0	4.4
Total Preliminary Base Budget:			252,739.7	205,476.7	47,263.0	2,371.99	1,254.6	883.8

Appendix 5

Summary of 2016 New & Enhanced Service Priorities

2016 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A Program - Long Term Care Homes & Services	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
7829		Expansion of the HMNS Program (Poverty Reduction)						
72	0	Description:						

As the HMNS Program is a claims based program, if the City were to increase its 20% contribution to the program by \$150,000, and the Ministry of Health and Long-Term Care contributes the remaining 80% of the funding of \$750,000, it would increase the capacity of the program to supply approximately 31,200 additional hours of homemaking services to approximately 400 clients per year.

Service Level Impact:

An HMNS client receives in the range of 1.4-1.8 hours per week of service. Current HMNS clients would continue to receive the level of service they need. It would enable the program to respond to the immediate and increasing client need as they age in place, and would increase the capacity of the program to address the immediate needs of more residents of the City.

Service: HA-Communtiy Based Long-Term Care

Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Change:	750.0	600.0	150.0	0.00	0.0	0.0
EC Recommended Change:	0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Change:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved:	750.0	600.0	150.0	0.00	0.0	0.0
Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
Budget Committee Recommended:	750.0	600.0	150.0	0.00	0.0	0.0
Executive Committee Recommended:	0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved New/Enhanced Services:	750.0	600.0	150.0	0.00	0.0	0.0

Summary:

Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
Budget Committee Recommended:	750.0	600.0	150.0	0.00	0.0	0.0
Executive Committee Recommended:	0.0	0.0	0.0	0.00	0.0	0.0

Category:

71 - Operating Impact of New Capital Projects 74 - New Services
72 - Enhanced Services-Service Expansion 75 - New Revenues

2016 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Citizen Focused Services A	Adjustments				2017 Plan Net Change	2018 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
		Program - Long Term Care Homes & Services						
City Council Approved:			0.0	0.0	0.0	0.00	0.0	0.0
Council Approved New/Enhanced Services:			750.0	600.0	150.0	0.00	0.0	0.0

Category:

71 - Operating Impact of New Capital Projects
72 - Enhanced Services-Service Expansion

74 - New Services
75 - New Revenues

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance			5,539.0	4,338.0	3,185.0
Homes for the Aged	XR2103	3,682.0			
<i>Withdrawals (-)</i>		(1,650.0)	(2,556.0)	(2,508.0)	(2,038.0)
<i>Contributions (+)</i>		3,507.0	1,355.0	1,355.0	1,355.0
Total Reserve / Reserve Fund Draws / Contributions		5,539.0	4,338.0	3,185.0	2,502.0
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		5,539.0	4,338.0	3,185.0	2,502.0

* Based on 9-month 2015 Reserve Fund Variance Report

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance			25,335.0	26,821.5	28,308.0
Insurance Reserve	XR1010	25,335.0			
<i>Contributions (+)</i>			1,486.5	1,486.5	1,486.5
Total Reserve / Reserve Fund Draws / Contributions		25,335.0	26,821.5	28,308.0	29,794.5
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		25,335.0	26,821.5	28,308.0	29,794.5

* Based on 9-month 2015 Reserve Fund Variance Report