

*Administration of the Long-Term Care
Subsidization Act*

Annual Report
2015/2016

Table of Contents

Overview	3
Long-Term Care Subsidization Program	3
Mandate.....	4
Year in Review	4
Staffing Summary	5
Organizational Chart (Long-Term Care Subsidization Program)	6
Statistical Review	7

August 7, 2017

The Honourable Frank Lewis
Lieutenant Governor
Province of Prince Edward Island
PO Box 846
Charlottetown, PE C1A 7L9

May It Please Your Honour:

As Minister of Health and Wellness, it is my privilege to present the Annual Report of the administration of the *Long-Term Care Subsidization Act* for the fiscal year ended March 31, 2016. As well as reporting on the administration of the Long-Term Care Subsidization Program, this report satisfies the requirements under Section 15 of the *Long-Term Care Subsidization Act*.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert Henderson", with a long, sweeping horizontal flourish extending to the right.

Robert Henderson
Minister of Health and Wellness

August 7, 2017

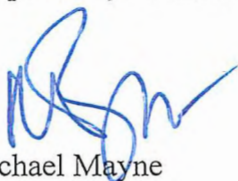
The Honourable Robert Henderson
Minister of Health and Wellness
Province of Prince Edward Island
105 Rochford Street, 4th Floor North
PO Box 2000
Charlottetown PE C1A 7N8

Honourable Minister:

It is my pleasure to submit the Annual Report on the administration of the *Long-Term Care Subsidization Act* for the fiscal year ended March 31, 2016 on behalf of the Health PEI Board of Directors.

This Annual Report provides information on the Long-Term Care Subsidization Program and the administration of the *Long-Term Care Subsidization Act*.

Respectfully submitted,



Michael Mayne
CEO, Health PEI

Overview

The *Long-Term Care Subsidization Act* and Regulations form the legal framework for the provision of accommodation subsidies within the Long-Term Care Subsidization Program. This annual report will include information on the Long-Term Care Subsidization Program, as well as the administration of this Act.

Long-Term Care Subsidization Program

Long-term care is provided in nursing homes and includes nursing care, accommodation (room and board) services, personal care as well as rehabilitative and medical services.

Nursing homes include:

- a) publicly operated nursing homes/manors;
- b) licensed private nursing homes; and,
- c) licensed nursing care beds in combined nursing/community care facilities.

Government enhanced its Long-Term Care Subsidization Program with the enactment of the *Long-Term Care Subsidization Act* on January 1, 2007. The enhancements included:

- i. residents in approved nursing homes had their health care costs paid by government but would continue to be responsible for the “accommodation” portion of their cost;
- ii. residents who do not have the financial ability to pay for their “accommodation costs” would have the opportunity to apply for assistance under the Long-Term Care Subsidization Program; and,
- iii. the application for subsidization would be based on an “income test” only, to determine the applicant’s ability to pay, eliminating the need for individuals to use their assets in paying for nursing home accommodations.

As a result of these changes to the Long-Term Care Subsidization Program, government pays for the health care costs in all nursing homes for all residents. Nursing home residents pay for their “accommodation costs” to the extent that they can afford based on their net income as determined by the Canada Revenue Agency.

Mandate

The *Long-Term Care Subsidization Act* is under the authority of the Minister of Health and Wellness and is administered by Health PEI. The Long-Term Care Subsidization Program provides:

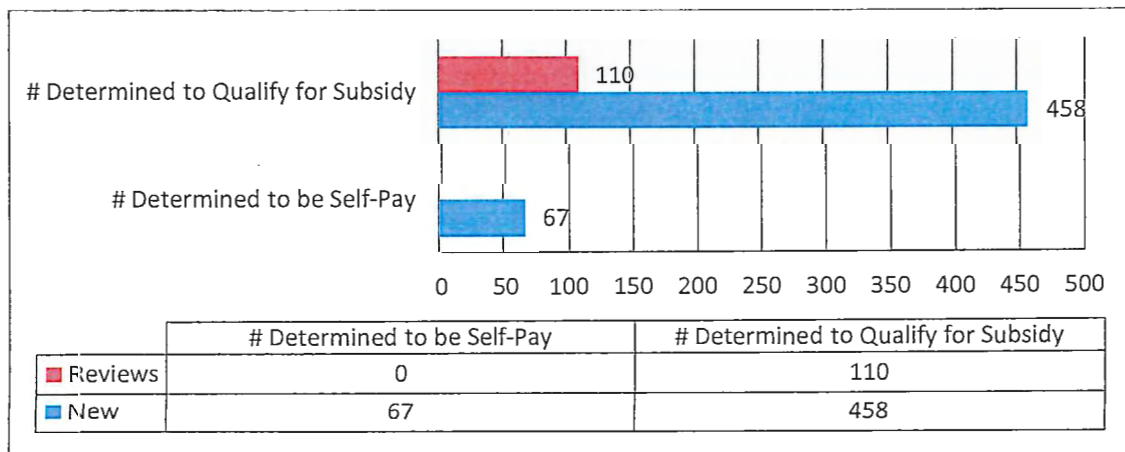
- funding for the basic health care services for all residents in private nursing homes; and
- financial assistance (subsidy) to persons who do not have sufficient income to pay their accommodation costs in a nursing home or public manor.

Residents who are determined, through a financial assessment process, as not having sufficient income to pay their accommodation costs are eligible for subsidization within the program. Health PEI pays the shortfall between the resident's actual income and the defined accommodation rate. Accommodation rates of \$77.60/day and \$82.39/day were applied to subsidized residents of public manors and private nursing homes respectively in the 2015/2016 fiscal year.

Year in Review

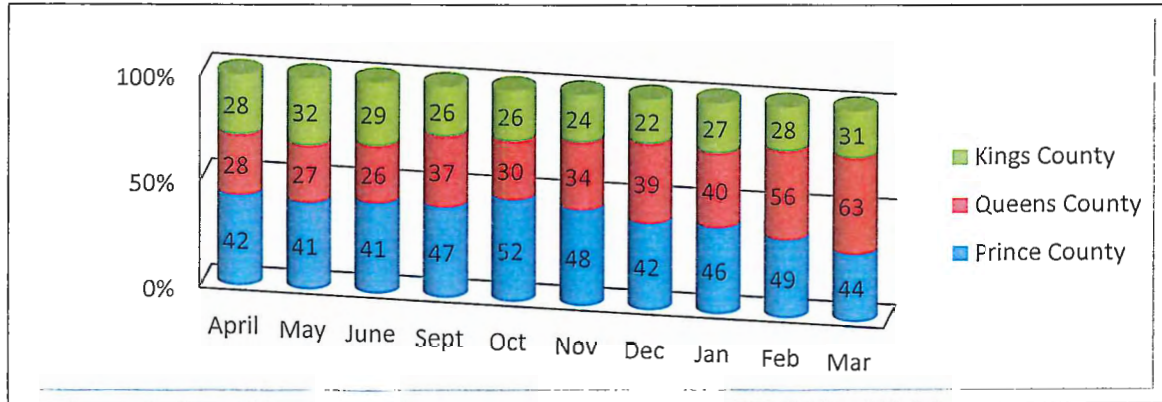
On April 1, 2015, there were 878 residents in nursing homes subsidized under the *Long-Term Care Subsidization Act*. As of March 31, 2016, there were 890 residents, for a net increase of 12 residents participating in the Long-Term Care Subsidization Program. During the 2015/2016 fiscal year, 525 new individuals had a financial assessment to determine if they were eligible for subsidization under the program. A total of 458 applications were approved while 67 individuals were determined to be ineligible as they had sufficient income to pay their full cost of nursing home accommodations. In addition, staff conducted 110 annual financial reviews of residents who continued to qualify for long-term care subsidization (see Figure 1.0).

Figure 1.0: Long Term Care Financial Assessments (FY 2015/2016)



The number of individuals on the wait list for long-term care has increased by 41% by fiscal year end. Significant increases were seen in the number of people waiting for care in Queens County (see Figure 2.0). As of March 31, 2016, 138 Islanders were waiting to move into one of our 19 long-term care facilities (total of 1141 nursing care beds).

Figure 2.0: Number of Residents Waiting for LTC by County (FY 2015/2016)



Section 8 of the *Long-Term Care Subsidization Act* provides the opportunity for individuals to appeal decisions related to the amount of subsidy provided. No appeals were brought before the Financial Assistance Appeal Panel during the year.

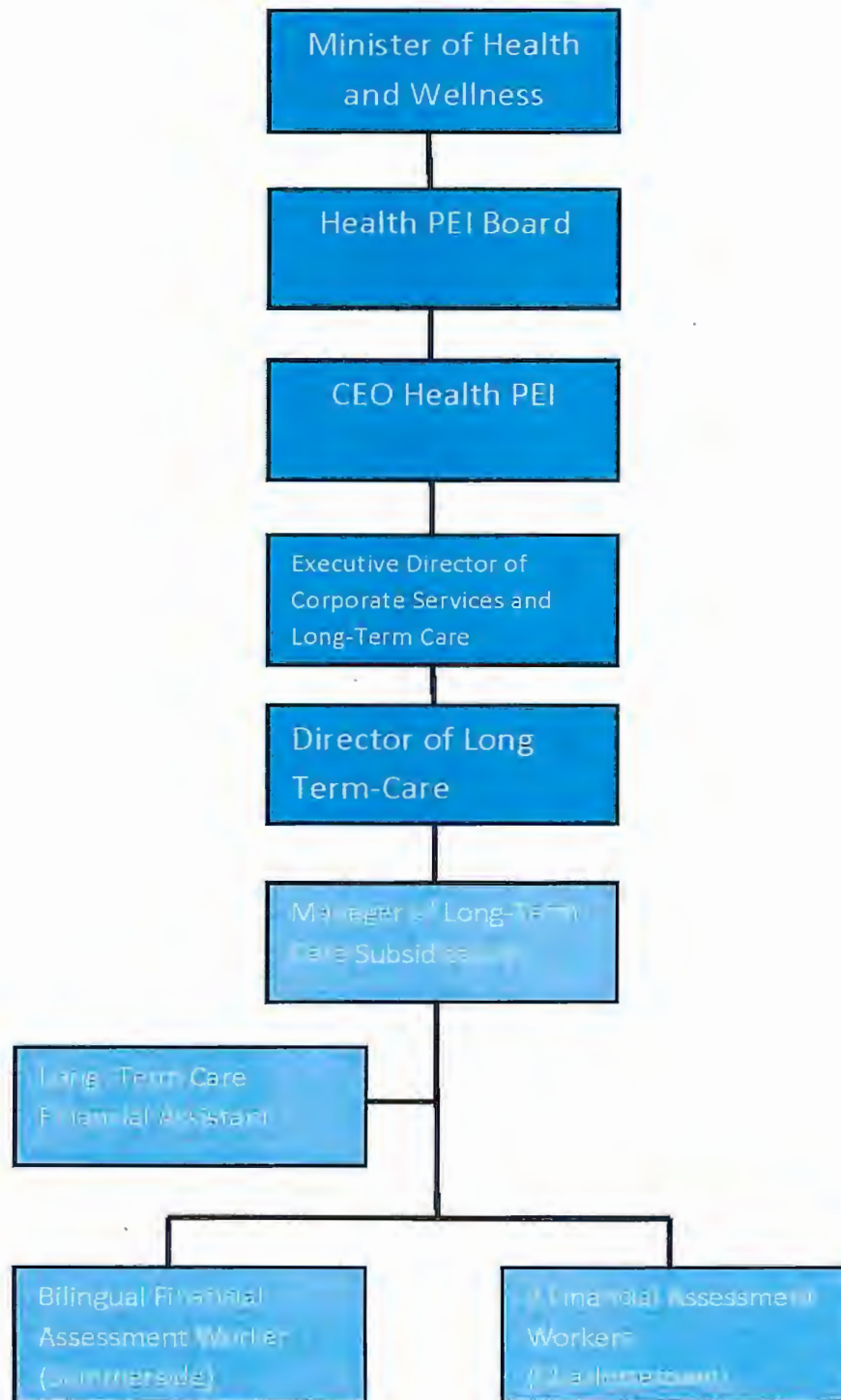
Staffing Summary

The Long-Term Care Subsidization Program is administered by Health PEI under the direction of the Provincial Director of Long-Term Care. The program is operated by the Manager of Long-Term Care Subsidization, reporting to the Director.

There are four full time staff positions consisting of three financial assessors and one administrative support person. Included in this staff complement is a bilingual assessor.

Total budget for 2015/2016 was \$256,500. Budget includes salary, benefits and staff travel to meet with clients who are unable to leave home or hospital.

Organizational Chart – Long-Term Care Subsidization Program



Statistical Review

Health PEI paid out \$ 5.1 million to private nursing homes in accommodation payments for subsidized residents this fiscal year. Figure 3.0 is a breakdown of all funding sources for nursing care residents for accommodation costs in both public and private settings. Under the Long-Term Care Subsidization Program, 76.8% received an accommodation subsidy, 18.1% paid the full accommodation costs and 5.1% were funded through Veterans Affairs Canada (VAC).

Figure 3.0 - Percentage of Participation in LTC Subsidization Program (FY 2015/16)

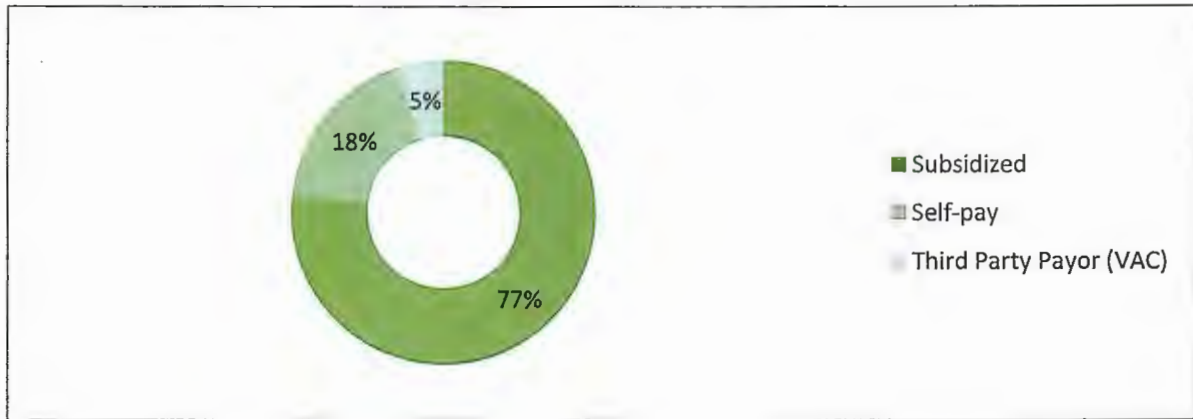


Figure 4.0 illustrates the Long-Term Care Subsidization Program participation rates since the *Long-Term Care Subsidization Act* came into effect on January 1, 2007.

Figure 4.0 - LTC Subsidization Program Participation Rates

