
Subject: Budget Adjustment – Seniors Services

Report to: Public Health and Social Services Committee

Report date: Tuesday, July 12, 2022

Recommendations

1. That an adjustment to the previously adopted 2022 Regional Municipality of Niagara (Niagara Region) operating budget in the amount of \$8,377,020 to be fully funded through the Ministry of Long-Term Care (MLTC), **BE APPROVED.**

Key Facts

- The purpose of this report is to inform Council of a number of in-year MLTC funding announcements and to obtain Council approval of the related budget adjustment as per by-law 2017-63, Budget Control, items 6.6(a) and 6.6(b), requiring Council's approval for any amounts received in excess of \$1 million for operating programs.
- The MLTC is issuing a number of streams of one-time and base funding increases to address ongoing COVID-19 pressures, staffing pressures and to support the continuance of the step-down unit pilot program at the T. Roy Adams Behavioural Support Unit (BSU). The funding adjustments have no impact on Niagara Region's 2022 tax levy.
- One-time funding categories are as follows:
 - COVID-19 prevention and containment funding
 - Nursing retention funding for registered staff
 - Infection prevention and control minor capital funding
 - Infection prevention and control professionals funding
 - Behavioural Support Unit, Pilot Program Funding
- Base funding categories are as follows:
 - Personal Support Worker (PSW) wage enhancement
 - Base operating funding increase

Financial Considerations

The recommended budget adjustment of \$8,377,020, includes a one-time funding increase of \$4,509,710 and a base operating funding increase of \$3,867,310.

A summary of the financial implications are as follows:

One-Time Funding

Program Funding	(Confirmed) 2022 MLTC Funding Agreement	Previously approved 2022 Regional Budget	Budget Adjustment Required
COVID-19 - Prevention and Containment Funding*	\$4,744,665	\$2,779,106	\$1,965,559
Nursing Retention Funding (\$5k/nurse)	887,882	-	887,882
IPAC Minor Capital	970,700	-	970,700
IPAC Professionals	359,131	-	359,131
Behavioural Specialized Unit Pilot Funding	326,438	-	326,438
Total One-Time Funding	\$7,288,816	\$2,779,106	\$4,509,710

Base Funding

Program Funding	(Confirmed) 2022 MLTC Funding Agreement	Previously approved 2022 Regional Budget	Budget Adjustment Required
PSW Wage Enhancement (\$3/Hr)	\$3,003,274	-	\$3,003,274
Level of Care Per Diem Funding Increase**	50,237,522	49,373,486	864,036
Base Funding (excluding Level of Care Per Diem Funding)	11,913,066	11,913,066	-
Total Base Funding	\$65,153,862	\$61,286,552	\$3,867,310
Total 2022 Funding	\$72,442,678	\$64,065,658	\$8,377,020

*Of the \$4,744,665 in COVID-19 Prevention and Containment funding for 2022, a budgeted transfer of \$2,109,359 will be returned to the Taxpayer Relief Reserve

**Level-of-care per diem is the base funding received for every licensed or approved bed in the home including funding for: Nursing and Personal Care, Program and Support Services, Raw Food and Other Accommodations.

Analysis

This report is being brought to committee in compliance with by-law 2017-63, Budget Control, requiring Council approval for in year budget adjustments in excess of \$1 million.

Ministry of Long-Term Care One-Time Funding Increases

All of the new funding will be allocated to the appropriate Long-Term Care (LTC) program areas in accordance with MLTC financial policies and eligibility criteria.

COVID-19 prevention and containment funding

- The MLTC is continuing to issue one-time funding to support the incremental costs of preventing and containing the transmission of COVID-19 in LTC homes. The Ministry announced \$4,744,665 in COVID-19 prevention and containment funding for the period of January – June 2022.
- Of the \$4,744,665 in COVID-19 Prevention and Containment funding for 2022, \$669,750 in funding was confirmed in the prior year and included in the 2022 budget and \$2,109,359 will be used to reduce the transfer from the Taxpayer Relief Reserve that was budgeted in 2022 to fund incremental COVID-19 costs. This leaves funding of \$1,965,559 that requires a budget adjustment.

Nursing retention funding for registered staff

- The MLTC announced a temporary nursing retention incentive. This is a nursing retention bonus of up to \$5,000 per nurse who was employed between February 13, 2022 and April 22, 2022 and employed as of March 31, 2022 and September 1, 2022. The estimated funding of this initiative is \$887,882 based on worked hours for nurses during the eligibility period. The temporary retention incentive for nurses program was initiated to help retain nurses within the LTC sector.

Infection prevention and control minor capital funding

- The MLTC announced one-time funding of \$970,700 to support LTC homes in making minor capital improvements directly linked to improved IPAC measures. Homes have the flexibility to choose how they use their allocation to address a number of eligible IPAC-minor capital expenditures. Eligible expenditures include: minor adjustments to support distancing, ventilation/air conditioning systems, furnishings/small equipment, and water systems/plumbing, building envelope/concrete repairs, cleaning /sanitation supplies and other expenditures approved at the ministry's discretion.

Infection prevention and control professionals funding

- The MLTC announced one-time funding of \$359,131 to support LTC homes to onboard Infection Prevention and Control (IPAC) professionals. Under the new *Fixing Long-Term Care Act, 2021* (FLTCA) dedicated IPAC professionals are a legislated requirement. This funding will be used to hire temporary staff until the funding concludes or is made permanent by the MLTC.

Behavioural Support Unit, Step Down Unit Pilot Funding

- On May 17, 2022, Ontario Health confirmed that continued funding of \$326,438 for 2022 will be provided to continue to operate the six bed step-down unit at Linhaven LTC home. The program was initiated to help support health-care system flow.

Ministry of Long-Term Care Base Funding Increases

PSW wage enhancement

- The MLTC has announced that the temporary wage enhancement of \$3 per hour for PSW's that the government introduced in October 2020, is permanent, effective April 21, 2022. Niagara Region operated LTC homes will receive new base funding of \$3,003,274 in 2022 to support this permanent increase.

Base operating funding increase

- The MLTC announced a 1.75% increase in the level-of-care global base funding effective April 1, 2022 for the 2022-23 funding year. This increase amounts to \$864,036 for the nine months of 2022 (April-December) and will become part of the base budget.
- The increase is comprised of a 1.5% increase in the areas of nursing and personal care, programs and support services and global increase as well as a 15% increase in the raw food budget. The significant increase in raw food budget is to support LTC

homes to meet obligations under the new FLTCA (also responding to inflationary pressures) and the nursing and personal care, programs and support services and global increase funding will be used to offset temporary staffing pressures.

The table below details the funding amounts by funding envelope:

Funding Envelope	Additional April-Dec 2022 Funding
Nursing and Personal Care	\$404,443
Program and Support Services	47,273
Raw Food	383,433
Global Increase	28,889
Total	\$864,038

Alternatives Reviewed

Should the budget adjustment not be approved, the unspent funds will have to be returned to the provincial government, resulting in less funding to support the residents in our long-term care homes and potentially greater pressure on the levy budget in order to meet the legislative requires to operate long term care homes safely and in accordance with policy.

Relationship to Council Strategic Priorities

This recommendation is aligned to Council's strategic priority of ensuring a "Healthy and Vibrant Community." By approving this report, Niagara Region is able to leverage this additional provincial funding and support residents and staff in our LTC homes.

Other Pertinent Reports

None.

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