

Subject: Budget Adjustment Seniors Services

Report to: Public Health and Social Services Committee

Report date: Tuesday, September 10, 2024

Recommendations

1. That an adjustment to the previously adopted 2024 Regional Municipality of Niagara (Niagara Region) operating budget in the amount of \$5,675,723 to be fully funded through the Ministry of Long-Term Care (MLTC), **BE APPROVED**; and
2. That Regional Council **APPROVE** the addition of 13 permanent Full-Time Equivalents (FTE)'s funded from the Long-Term Care Staffing Increase Funding.

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 creation of new full-time permanent positions resulting in an increase in FTE requires Regional Council approval under the Corporate Delegation of Authority Policy.
- The MLTC has recently made a number of announcements for one-time and base funding increases to address inflationary pressures, support long-term care homes not compliant with the Ontario Fire Code and to achieve provincial staffing targets. The funding adjustments do not have an impact on Niagara Region's 2024 tax levy.
- April 1, 2024 to March 2025 is the final year of the MLTC, 'Long-Term Care Staffing Increase Funding Policy' implementation. The recently announced funding for this fiscal year has exceeded estimates included in the previously approved 2024 operating budget resulting in this budget adjustment and request for 13 additional permanent fully funded FTEs.

Financial Considerations

The recommended budget adjustment of \$5,675,723, includes one-time funding of \$2,428,565 and base operating funding of \$3,247,158.

A summary of the financial implications are as follows:

One-Time Funding

	(Confirmed) 2024 MLTC Funding Agreement	Previously approved 2024 Regional Budget	Budget Adjustment Required
One-Time Funding to support LTC homes	\$2,428,565	\$ -	\$2,428,565

Base Funding

	(Confirmed) 2024 MLTC Funding Agreement	Previously approved 2024 Regional Budget	Budget Adjustment Required
Level of Care Per Diem Funding Increase	50,551,875	48,117,293	2,434,582
Long-Term Care Staffing Increase	21,065,944	20,253,367	812,577
Base Funding	25,386,332	25,386,332	-
Total Base Funding	\$97,004,151	\$93,756,992	\$3,247,159
Total 2024 Funding (including one-time)	\$99,432,716	\$93,756,992	\$5,675,724

Analysis

Ministry of Long-Term Care One-Time Funding Increase:

The MLTC has announced one-time funding of \$2,543 to each licensed or approved LTC bed in the province. This one-time funding is intended to provide financial support for long-term care homes to help relieve financial pressures and address key priorities. Funding is intended to address any outstanding Fire Code Requirements and can also be applied against eligible expenditures in nursing, nutritional support, programs and support services and accommodations. This funding is being used to supplement

programming for LTC residents, to purchase modernized therapeutic equipment and to support staffing enhancements.

Ministry of Long-Term Care Base Funding Increases:

Base operating funding increase

- The MLTC announced a 6.6% increase in the level-of-care global base funding effective April 1, 2024 for the 2024-25 funding year. This increase amounts to \$3,403,620 for the nine months of 2024 (April-December) and will become part of the base budget. The required adjustment is net of an estimated increase in funding (\$969,039) included in the 2024 operating budget for a required adjustment amount of \$2,434,581.
- The increase is broken down by escalations in the areas of nursing and personal care, programs and support services, nutritional support, other accommodations and global increase. The increase will be used to offset significant inflationary pressures as well as support the outcomes of collective bargaining.

The table below details the change in funding amounts by envelope:

Funding Categories	Additional April-Dec 2024 Funding
Nursing and Personal Care	\$ 1,168,681
Program and Support Services	110,303
Nutritional Support	262,625
Other Accommodations	1,793,729
Global Increase	68,283
Total	\$ 3,403,620
Budgeted Estimate for 2024 Increase	(969,039)
Adjustment Required	\$ 2,434,581

Long-Term Care Staffing Increase

In December 2020, the MLTC released “A better place to live, a better place to work: Ontario’s long-term care staffing plan” to support the continuation of staffing initiatives and increase the provincewide average of direct hours of care. April 2024 to March 2025 is the final year of funding increases related to this plan.

The 2024 operating budget was approved based on an estimated funding increase determined from notional allocations previously provided by the MLTC. Recently

announced funding has exceeded the estimated budget by \$812,577 for the period of April – December 2024 (\$1,083,436 annually). This funding will be used to add to the existing staff complement in the areas of nursing and recreation and requires approval of 13 new permanent FTE's. This is base funding which will be included in the 2025 budget to support the increase of the permanent FTEs. No additional levy is required from the Region to maximize this funding.

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 the Region's long-term care homes and an inability to meet the 2024 provincial staffing targets.

Relationship to Council Strategic Priorities

Effective Region – Deliver fiscally responsible and sustainable core services.
Effective Region – Invest and support an aligned workforce at Niagara Region.

Other Pertinent Reports

[COM 26, 2021 Long-Term Care Home Funding Policy Update](https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=19802)

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