

BMA

Management Consulting Inc.



Operational Review
Golden Manor

City of Timmins

Table of Contents

Executive Summary	
Summary of Recommendations	
SWOT Analysis	
Review Process	1
Consultation With Staff	1
Review of Key Documents	1
Background	3
Analysis	8
Budget	8
Budget/Actual Observations	9
Benchmarking	10
Expenditures	11
Staffing	12
Salaries	15
Salaries and Staffing Levels	16
Materials and Contracts	20
Revenue Analysis	22
Conditional Grants	24
Case Mix Index	25
User Fees	28
Summary of Revenues and Expenditures	30
Cost Sharing Arrangements	31
Management Information	33
Satisfaction Surveys	35
Performance Measures	36

Executive Summary

Golden Manor is a Long Term Care facility that provides nursing care to persons who can no longer live on their own in the community. The residents are referred to the home by the Community Care Access Center, which is responsible to assess needs, manage the waiting list and to refer cases to the appropriate community facility. The current waiting list is extensive as Golden Manor is the first choice for 70% of the individuals on the waiting list.

Provincial funding is directly tied to the case mix index (CMI), which measures the level of care required. The case mix average for every Long Term Care facility is calculated and funding is based on where a facility fits in terms of the provincial average. The higher the CMI, the greater the funding level. Staff at Golden Manor have been well trained to complete the required forms to maximize subsidy. The CMI at Golden Manor has been consistently below the provincial average, meaning that the level of care required is lower than the average across Ontario.

In comparison to other facilities, the cost on a per diem basis is above the survey average in Golden Manor. The expenditures at Golden Manor are higher than average, driven mainly by staffing costs. A review is needed to rationalize the current allocation of staff, the mix of staff employed, the use of overtime and other factors that impact staffing costs. Benchmarks and specific municipalities for comparison purposes have been identified.

The option of contracting out ancillary services such as food services, maintenance, janitorial and laundry should be explored along with investigating purchasing consortiums to reduce operating costs.

Golden Manor has the potential to increase its user fees by:

- ◆ Implementing the maximum allowable preferred accommodation rates under the legislation
- ◆ Increasing the number of paying residents that are in preferred accommodation
- ◆ Implementing semi-private user fees

This would reduce the taxpayer contributions required. The Manor is doing an excellent job of tracking and recording information that is used to calculate the CMI. This is critical to ensure that the City maximizes its provincial grants.

Better use of technology should be employed at Golden Manor to fully take advantage of what has been purchased to date and to ensure efficient and effective operations. This will likely require additional staff training.

Unlike many other District and County models, there is no cost sharing arrangement within the District of Cochrane to support the municipally operated long term care facility in the City of Timmins. As such, the costs per capita and per 100,000 of assessment are above the majority of the other municipalities surveyed.

Many Counties and Districts have established cost sharing arrangements either based on assessment or a provincial equalization formula that spreads the costs of service across a larger base. Given that access to Golden Manor is open and given the higher number of beds per capita that are supported by the City of Timmins due to needs within the community which results in a higher than average burden for residents of Timmins, cost sharing arrangements should be pursued within the District and with the Province. Based on an estimate of a cost sharing using assessment, this would reduce the burden in the City of Timmins by in excess of \$600,000 on an annual basis.

Summary of Recommendations

That the Administrator review the staff mix, the use of overtime and internal policies to rationalize the existing higher than average salaries/wages/benefit costs of operations.

That Golden Manor review the potential for cost saving opportunities that can be achieved for food and other supplies through bulk purchases or contracting services.

That the user fees for private accommodation be increased to the maximum allowable level under the legislation.

That the current policies for preferred accommodation be reviewed and formally adopted by Council.

That the City investigate the ability to increase provincial subsidy and/or create a fair and equitable cost sharing arrangement within the District to fund long term care.

That the Campana system supplier be requested to determine if a better utilization of the system could create efficiencies, particularly in the area of staff scheduling which is the largest cost of operating Golden Manor.

That training on Goldcare Financial system be provided to the required staff.

That Excel and Word training be provided to the users of Golden Manor.

That upon finalization of the survey, it be administered by the Family Council or other third party with the results reported directly to Council.

That performance indicators be established for efficiency and effectiveness to measure actual performance data that can be reported to Council at least on an annual basis.

SWOT Analysis

Key Strengths

- ◆ First class long-term care facility
- ◆ Accredited by the Canadian Council on Health Services Accreditation
- ◆ Progressive programs that seek to meet the rising needs of individual residents
- ◆ Professional attitude of staff
- ◆ Good use of volunteers
- ◆ Best practices—nurse practitioner
- ◆ Good practices employed to maximize CMI

Key Weaknesses

- ◆ Limited performance formalized measurements
- ◆ Poor use of existing technology to manage staff scheduling
- ◆ Limited use of reporting capabilities available in software

Key Opportunities

- ◆ Increasing revenues from preferred accommodation
- ◆ Forge new partnerships, strategic alliances, contracting out of non-core services
- ◆ Increased volunteerism
- ◆ Increased use of technology and training as work force changes
- ◆ Potential cost sharing arrangement within the District or increased funding from the Province

Key Threats

- ◆ Higher salary levels impact the overall cost of operations
- ◆ Low levels of preferred accommodation revenues impact the overall costs
- ◆ Extensive waiting list and high level of demand
- ◆ Long wait times to access home
- ◆ No capital reserves
- ◆ Aging workforce—succession planning
- ◆ Ministry Funding

A full review was undertaken of the operations at Golden Manor

Review Process

Consultation With Staff

Discussions were held with the Administrator and the Director of Nursing at Golden Manor to review:

- ◆ Policies, procedures and practices
- ◆ Compliance with legislation/regulations
- ◆ Management of the department and divisions
- ◆ Staffing needs, roles and responsibilities
- ◆ Organizational structure
- ◆ Performance management
- ◆ Major projects and priorities
- ◆ Current and Capital Budgets

Review of Key Documents

Key documents were reviewed including:

- ◆ 2002-2004 Operating Budgets
- ◆ FIRs
- ◆ Review of key documents including "Increasing Pressures of An Aging Population on the Health Care System in the City of Timmins and the Cochrane District"
- ◆ Best practices in Improving Case Mix
- ◆ OMBI database for long term care
- ◆ Documenting practices such as nursing care plan, quarterly summary review, resident care status needs
- ◆ CMI over the past 5 years

All operational aspects of the Long Term Care facility were reviewed

The review of Golden Manor focused on answering the following questions:

- ◆ What are the current programs and services?
- ◆ Why was the program/service introduced?
- ◆ What are the objectives of the program/functional area?
- ◆ Does the program/service support the municipality's priorities?
- ◆ Are the objectives currently being met?
- ◆ What are the future challenges?
- ◆ Is this a core vs. non-core process and service?
- ◆ What are the annual resources/costs?
- ◆ What are the staffing resources deployed?
- ◆ How is performance currently measured/tracked?
- ◆ Are the service levels and standards defined? What are they?
- ◆ Are there opportunities to re-align priorities?
- ◆ How is technology used to meet the demand for services?
- ◆ What are the policies and practices?
- ◆ Are there alternate service delivery options?
- ◆ Are there discretionary elements?

In doing so, observations/recommendations have been made in the following areas:

- ◆ Operational and administrative systems
- ◆ Policies, procedures, practices
- ◆ Program effectiveness
- ◆ Organizational structure
- ◆ Compliance with legislation
- ◆ Employee work assignment
- ◆ Administrative, financial, human resource management
- ◆ Information systems and use of technology

Golden Manor is the only municipally owned long-term care facility in the District of Cochrane

The home is a facility of which the City can be proud of

Background

Municipal Homes for the Aged were originally introduced to address the unmet needs of disadvantaged people in need of social housing. Over the years they have evolved into health care facilities caring for clients requiring long-term care. Golden Manor via the Homes for the Aged and Rest Homes Act and Bill 101 has legislative responsibility to provide facility based services to those adults whose needs cannot be met through in-home services.

Long-term care homes are owned and operated by various organizations:

- ◆ Nursing homes are usually operated by private corporations
- ◆ Municipal homes for the aged are owned by municipal councils. Many municipalities are required to build a home for the aged in their area, either on their own or in partnership with a neighbouring municipality
- ◆ Charitable homes are usually owned by non-profit corporations, such as faith, community, ethnic or cultural

Golden Manor is the only municipally operated facility in the District of Cochrane. Golden Manor is owned and operated by the City of Timmins with a bed complement of 183 beds (previously 177) that provides nursing care to persons who can no longer live on their own in the community. The facility was built in 1954. It is a 179,000 sq.ft. facility and is well built and managed. The most recent major renovations to the home occurred from 1984-1988. The appearance, the cleanliness, and the visibility of programs for residents and the overall caring and professional attitude of staff is impressive. It is a home the community has cause to be proud of.

Golden Manor has a Canadian Council on Health Services accreditation through an external peer review. This means that its services are provided according to national standards and strives to continuously improve.

Across Ontario, there is an increased need for long-term care services

The residents are referred to the home by the Community Care Access Center (CCAC), which is responsible to assess needs, manage the waiting list and refer cases to the appropriate community facility. The average estimated age of residents at Golden Manor is 85.3.

In 1998, largely due to the demographics of an aging Ontario-wide population, the Ontario Ministry of Health and Long Term Care committed to adding some 20,000 new long-term care beds in the province thus indicating that the need for long-term care is growing and that the field of long-term care is also in a process of rapid growth and development throughout the province.

As shown on the table below, there are 642 beds in the Cochrane District, 27% of which are at Golden Manor¹. The number of beds increased to 183 in Golden Manor in 2004.

FACILITY	COMMUNITY	APPROVED LONG-TERM STAY BEDS	SHORT STAY BEDS	CMI (2003)	CMI % INCREASE/DECREASE 2002 TO 2003
Foyer des Pionniers	Hearst	65	1	88.25	-1.25%
North Centennial Manor	Kapuskasing	70		93.98	-3.19%
Extendicare Kapuskasing	Kapuskasing	59	1	84.67	-2.78%
Smooth Rock Falls LTC	Smooth Rock Falls	20		no data	
Golden Manor	Timmins	173	3	95.02	-0.86%
Extendicare Timmins	Timmins	118	1	95.80	-0.67%
Villa Minto	Cochrane	33		97.69	3.56%
Rosedale Centre	Matheson	20		no data	
South Centennial manor	Iroquois Falls	68	1	94.00	2.13%
Timmins & Dist. Hospital	Timmins	10 temporary			
Average CMI				92.77	
TOTAL Cochrane District		636	7	642 Beds	

Golden Manor is by far the largest LTC institution in the District

As shown on the table above, Golden Manor is by far the largest service provider in the District. The CMI is also higher than the survey average in 2003, but is relatively close to the CMI at Extendicare Timmins. As will be discussed later in the report, this measures the level of care needs at each home; the higher the index, the greater the care needs.

1. Review of the Increasing Pressures of an Aging Population on the Health Care Community System in the City of Timmins and the Cochrane District

The ratio of beds to population used by the province indicates that there is an over supply of LTC beds in Cochrane District, however this benchmark alone is not sufficient to gauge demand and need

In March 2004, the provincial average was reported to be 95.3 LTC beds per 1,000 population over 75 years of age. In total, providers in the Cochrane District operate 137.5 LTC beds per 1,000 population, which is the third highest ratio on average among 42 CCAC areas and exceeds the provincial target of 100 LTC beds per 1,000 population. The ratio in Cochrane is expected to drop to some extent by 2006 however it will continue to exceed the provincial target. As will be shown later in the report, this is a driving factor in a higher than average burden for residents in the City of Timmins for long-term care facility costs.

According to research, benchmarks based on a bed population ratio fail to account for a number of important factors such as a lack of community based supports or alternate affordable housing options for the aging population².

Golden Manor also operates an Adult Day program that serves the frail elderly and Alzheimer's clients. While the City has one-third of the spaces available in the District, the City is home to one-half of the population. Golden Manor in Timmins is the only municipal home in the District.

COMMUNITY	AGE COHORT			% CHANGE IN 65+, 1996 TO 2001
	% OF POP. 0-19 YEARS	% OF POP. 20-64 YEARS	% OF POP. 65+ YEARS	
Hearst	26%	62%	11%	6.5%
Timmins	28%	61%	12%	3.2%
Greater Sudbury	25%	61%	14%	10.9%
Kapuskasing	26%	59%	15%	4.1%
Sault Ste. Marie	25%	59%	17%	10.3%
Elliot Lake	21%	54%	25%	29.7%
Ontario	26%	61%	13%	10.3%
Canada	26%	61%	13%	10.2%

Age Distribution

The percentage of seniors aged 65 years and over in Cochrane District in proportion to the total population is similar to that of the province (12.2% versus 12.9%). The City of Timmins experienced a 3.2% increase in its seniors' population between 1996 to 2001. This is lower than other municipalities in the survey and substantially lower than the Ontario average of 10.3%.

Golden Manor is the first choice for the majority of individuals on the waiting list

There has been a significant increase in the number of individuals on the waiting list...the wait at Golden Manor spans from 9 months to over a year

Placement Coordination and Waiting List Statistics

The demand for some facilities far exceeds that of others within the District of Cochrane. Golden Manor is the facility of first choice for 70% of clients awaiting placement within the district.

One of the unique challenges facing the Cochrane District is the distance between facilities to place residents across the vast catchment area. The CCAC must balance bed availability from a system's perspective while keeping in mind the human aspect of ensuring that residents are placed in close proximity to family and friends.

With the increasing caseload at the Cochrane CCAC, there has been a corresponding increase in the monthly waiting list for a long-term care bed.

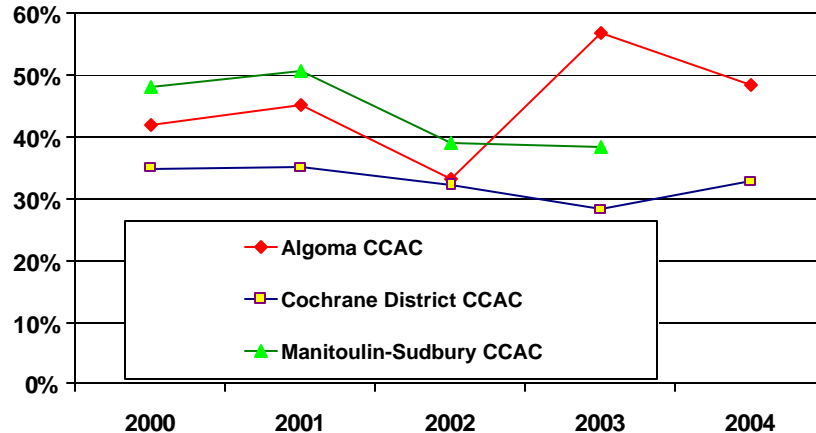
The waiting list for Cochrane District has grown from 91 persons in 2000 to 160 in 2003 and 180 in 2004. This represents a doubling in the average monthly waiting list for this period. The average wait time for placement at **Golden Manor** in 2004 is:

- ◆ 9 months for males
- ◆ over a year for females³

Due to the high demand, the waiting times for Golden Manor exceeds the district average waiting times.

In the Cochrane District, the annual turnover of residents is considerably lower than the turnover in other districts. This is attributed to several factors; a lower CMI in Cochrane District facilities (compared with the provincial average) and residents are reported to be healthier. The result is that Cochrane District facilities are less able to admit new residents as compared to other districts. This contributes to longer waiting times to gain residency at the long term care facilities in Cochrane.

The following graph reflects the percentage turnover at the Algoma, Manitoulin-Sudbury and Cochrane District⁴. As shown below, the turnover in Cochrane District has been lower over the past several years.



Demand for Various Types of Accommodation

Long-term care homes offer a variety of accommodation options. People living in a home pay a fee for accommodation that is based on the type or style of accommodation. “Preferred Accommodation” is the term used to describe private or semi-private rooms with special features, whereas “Basic or Standard Accommodation” refers to the style of rooms that the home offers in this category.

The ratio of standard and preferred accommodation as set out in the regulations governing all long-term care facilities requires that a minimum of 40% of the residents must be charged at the basic accommodation rate, regardless of whether the number of preferred accommodation rooms exceeds 60%.

In comparison to the provincial experience of 63% requesting basic accommodation, analysis of the waiting list from February 2004 indicates approximately 80% of requests in the Cochrane District are for basic accommodation. This reduces the potential ability to generate preferred accommodation revenue.

The demand for basic accommodation rooms in Cochrane District is higher than the provincial average

Analysis

Budget

The net levy of \$1.37 million represents 3.4% of the City of Timmins' total tax levy. The following table summarizes the budget and actual costs associated with Golden Manor for the years 2002-2004.

Account Description	2002 Budget Values	2002 Actual Values	2003 Budget Values	2003 Actual Values	2004 Budget Values	\$ change in Budget 2003-2004	% change in Budget 2003-2004	% change in Budget 2002-2004
Revenues								
General Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Grants	\$ 4,706,076	\$ 4,949,603	\$ 5,085,600	\$ 5,352,315	\$ 5,361,760	\$ 276,160	5%	14%
Accommodation	\$ 2,120,328	\$ 2,175,273	\$ 2,167,000	\$ 2,186,883	\$ 2,167,000	\$ -	0%	2%
Preferred Accommodation	\$ 94,582	\$ 110,096	\$ 112,000	\$ 97,516	\$ 112,000	\$ -	0%	18%
Other	\$ 65,072	\$ 81,325	\$ 75,500	\$ 89,102	\$ 75,500	\$ -	0%	16%
Revenue Nursing & Personal Care		\$ -	\$ 14,000	\$ 22,395	\$ 14,000	\$ -	0%	N/A
High Cost Service Require.	\$ 14,000	\$ 28,258	\$ 30,000	\$ 57,316	\$ 60,000	\$ 30,000	100%	329%
Community Nurse Practition	\$ -	\$ 65,858	\$ 76,300	\$ -	\$ 95,000	\$ 18,700	25%	N/A
Adult Day Care Program	\$ 61,280	\$ 70,500	\$ 71,000	\$ 85,778	\$ 66,485	\$ (4,515)	-6%	8%
Home Support	\$ 108,500	\$ 103,194	\$ 105,300	\$ 112,067	\$ 114,300	\$ 9,000	9%	5%
Total Revenue	\$ 7,169,838	\$ 7,584,107	\$ 7,736,700	\$ 8,003,372	\$ 8,066,045	\$ 329,345	4%	12%

Account Description	2002 Budget Values	2002 Actual Values	2003 Budget Values	2003 Actual Values	2004 Budget Values	\$ change in Budget 2003-2004	% change in Budget 2003-2004	% change in Budget 2002-2004
Expenditures								
Nursing & Personal Care	\$ 4,282,082	\$ 4,453,419	\$ 4,631,000	\$ 4,789,432	\$ 4,850,500	\$ 219,500	5%	13%
Nursing & Personal Care Admin	\$ 384,500	\$ 371,550	\$ 438,180	\$ 424,245	\$ 465,380	\$ 27,200	6%	21%
High Cost Service Require.	\$ 20,500	\$ 32,607	\$ 30,000	\$ 64,397	\$ 60,000	\$ 30,000	100%	193%
Program & Support Services	\$ 368,004	\$ 371,529	\$ 356,100	\$ 393,154	\$ 391,500	\$ 35,400	10%	6%
Raw Food	\$ 294,000	\$ 301,845	\$ 294,000	\$ 323,256	\$ 339,500	\$ 45,500	15%	15%
Other Accommodations	\$ 593,468	\$ 623,536	\$ 610,500	\$ 592,476	\$ 608,000	\$ (2,500)	0%	2%
Laundry & Linen Services	\$ 223,451	\$ 182,257	\$ 181,600	\$ 182,858	\$ 179,600	\$ (2,000)	-1%	-20%
Building & Property	\$ 198,336	\$ 238,206	\$ 208,700	\$ 206,937	\$ 213,600	\$ 4,900	2%	8%
Dietary Services	\$ 864,936	\$ 942,631	\$ 984,200	\$ 902,649	\$ 971,400	\$ (12,800)	-1%	12%
General & Administration	\$ 506,135	\$ 450,165	\$ 522,920	\$ 464,151	\$ 523,420	\$ 500	0%	3%
Facility Costs	\$ 439,600	\$ 524,687	\$ 439,600	\$ 455,155	\$ 484,900	\$ 45,300	10%	10%
Community Nurse Practition	\$ 76,300	\$ 66,541	\$ 76,300	\$ 401	\$ 95,000	\$ 18,700	25%	25%
Capital Outlays	\$ 81,000	\$ 81,000	\$ 81,000	\$ 45,624	\$ 81,000	\$ -	0%	0%
Adult Day Care Program	\$ 61,371	\$ 69,930	\$ 67,500	\$ 66,185	\$ 66,485	\$ (1,015)	-2%	8%
Home Support	\$ 39,078	\$ 27,127	\$ 35,800	\$ 38,125	\$ 30,950	\$ (4,850)	-14%	-21%
Home Support Administration	\$ 70,485	\$ 77,791	\$ 73,000	\$ 74,251	\$ 76,850	\$ 3,850	5%	9%
Total Expenditures	\$ 8,503,246	\$ 8,814,821	\$ 9,030,400	\$ 9,023,296	\$ 9,438,085	\$ 407,685	5%	11%
Net Expenditures	\$ 1,333,408	\$ 1,230,714	\$ 1,293,700	\$ 1,019,924	\$ 1,372,040	\$ 78,340	6%	3%

Budget/Actual ObservationsRevenues

- ◆ Provincial grants budget increased by 14% between 2002 and 2004
- ◆ In 2002 and 2003, the City received in excess of \$250,000 annually more than had been budgeted for in provincial subsidy—this provided additional flexibility in the provision of Nursing and Personal Care, which exceeded their budget for these years
- ◆ Basic accommodation revenues increased 2% from the budget in 2002 to 2003—budget to actual was very closely aligned
- ◆ Preferred accommodation budget increased by \$17,000 between 2002-2004 however, actual preferred accommodation revenues decreased between 2002 and 2003

Expenditures

- ◆ Budgeted expenditures increased 11% between 2002-2004, driven largely by increases in Nursing and Personal Care, increases in Raw Food Costs and Facility costs

Net Operating Position

- ◆ The net operating budget increased 6% between 2003 and 2004
- ◆ There is currently a net operating cost to the taxpayer of \$1.37 million; this is equivalent to approximately \$7,600 per bed
- ◆ While the provincial subsidy is projected to increase approximately \$250,000, there is an increase in Nursing and Personal Care, High Cost Services, Program and Support, Raw Food and Facility Costs totally approximately \$400,000 between 2003 and 2004. These were the major driving factors impacting the budget in 2004
- ◆ Golden Manor's budget to actuals has been well managed in that the Administrator carefully monitors expenditures to ensure that the long-term care facility does not run over budget—in both 2002 and 2003, the Manor was under budget by \$100,000 and \$274,000 respectively
- ◆ Home Support and the Day Care Program operate on a break even basis, where revenues match direct expenditures

Fourteen different municipalities were selected to undertake the comparison...these provides a good cross section of homes across Ontario

Benchmarking

An analysis was undertaken of staffing, revenues, expenditures and operating practices at Golden Manor compared with a number of other municipally owned long-term care facilities. A good cross section of LTC facilities were included, with some municipalities operating more than one home, some being operated at the County level, some at the City level, one that is contracted to a private sector operator and one that is contracted to a hospital.

The LTC facility in Muskoka that is operated by the private sector was not included in the detailed financial analysis because during the past two years the home has been under construction and the number of beds has been significantly reduced on a temporary basis, resulting in inconsistent reporting and comparative results. Information however on this home has been included in the report as this home is operated on a break even basis, as part of the contract with the municipality. The following summarizes the comparators.

Municipality	# Homes	# Beds	Adjusted Beds	Operator
Bruce County	2	243	243	County
Chatham-Kent	2	310	310	City
Cornwall	1	132	132	City
Elgin County	3	247	247	County
Hastings County	2	363	363	County
Lanark County	2	263	263	County operates one and contracts other to the hospital
Muskoka	1	160	160	Contracted to Extendicare
North Bay	1	240	206	East Nipissing Homes for the Aged - allocates 86% to City
Oxford County	3	228	228	County
Peterborough	1	253	167	Jointly owned by County and City - allocates 66% to City
Renfrew County	2	346	346	County
SS Marie	1	374	284	Algoma District - allocates 76% to SSM
St. Thomas	1	136	136	City
Sudbury	1	342	342	City
Timmins	1	177	177	City

Note the number of beds has been adjusted for the purposes of undertaking the financial analysis in North Bay, Sault. Ste. Marie and Peterborough to reflect the cost sharing arrangement. These municipalities are allocated costs based on a percentage of the total costs, therefore, calculations on a per bed basis must be adjusted to reflect this arrangement.

Gross expenditures in Golden Manor are above the survey average on a per bed and per diem basis

Expenditures

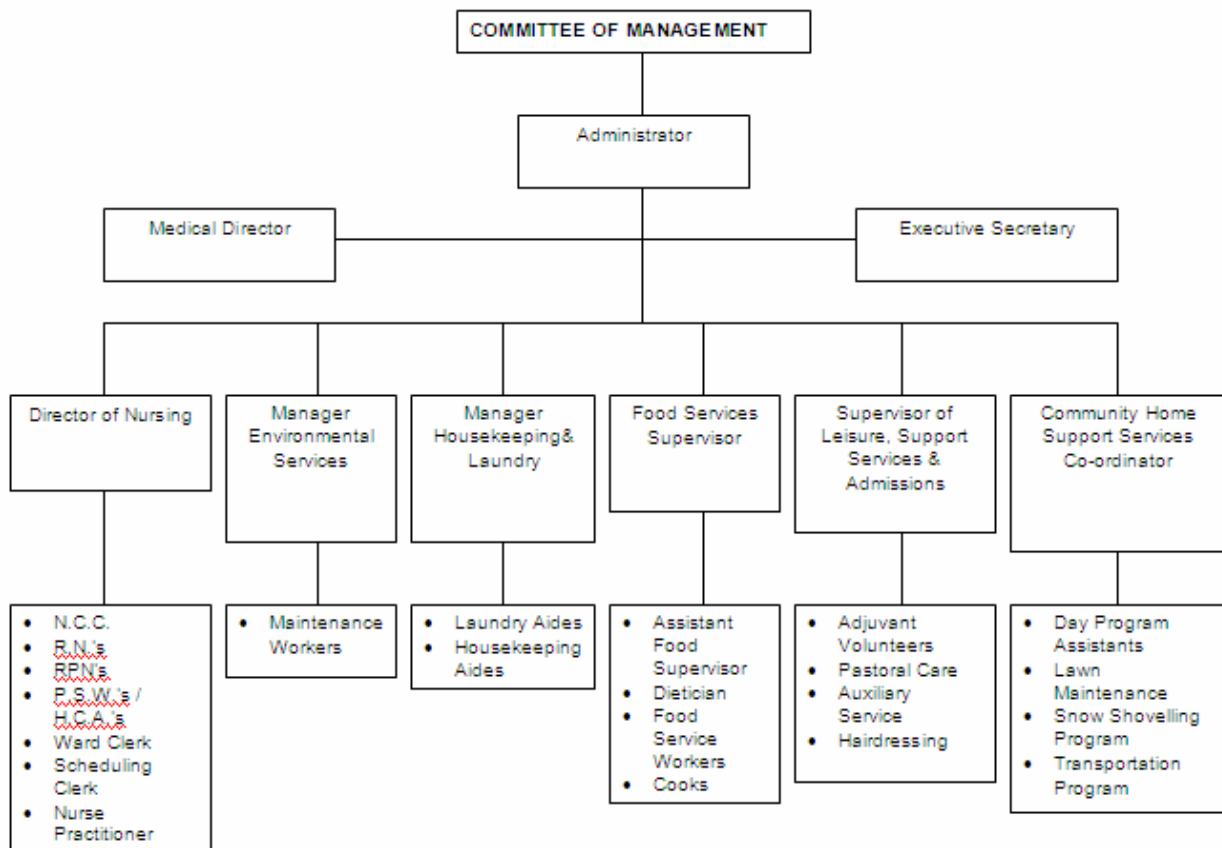
The following table summarizes the total gross operating expenditures on a per bed and per diem basis using the 2003 Financial Information Returns. The City of Timmins' gross operating expenditures are above the survey average. The total gross operating expenditures per bed in Timmins exceeds the survey average by \$2,186 on an annual basis. If the City's expenditures were set at the survey average, this would reduce the budget by approximately \$387,000. Note that this analysis excludes transfers to reserves, capital and debt servicing costs.

Municipality	# Homes	# Beds	Total Gross Operating Expenditures/per Bed	Total Gross Operating Expenditures/per Bed per diem
SS Marie	1	284	\$ 39,711	\$ 109
Hastings County	2	363	\$ 42,538	\$ 117
Sudbury	1	342	\$ 42,657	\$ 117
Peterborough	1	167	\$ 42,748	\$ 117
Bruce County	2	243	\$ 43,411	\$ 119
North Bay	1	206	\$ 43,670	\$ 120
Chatham-Kent	2	310	\$ 46,322	\$ 127
Lanark County	2	263	\$ 47,897	\$ 131
Renfrew County	2	346	\$ 48,098	\$ 132
St. Thomas	1	136	\$ 49,634	\$ 136
Elgin County	3	247	\$ 53,673	\$ 147
Cornwall	1	132	\$ 57,152	\$ 157
Oxford County	3	228	\$ 57,538	\$ 158
Average		251	\$ 47,311	\$ 130
Timmins	1	177	\$ 49,497	\$ 136

Further analysis is required and has been provided to understand the major driving factors to explain why Timmins' expenditures are higher.

Staffing

Salaries, wages and benefits comprise the largest share of the operating budget. The following summarizes the organization structure. Golden Manor services are largely provided by a combination of full-time, part-time employees of the City. In 2003, the total staff complement is 192.



	Full-time	Part-time	Temp/Casual	# of contracts	Total
Administration	11			1	12
Nursing (ONA)	6	9			15
Nursing (1140)	35	70	3		108
Dietary	9	21		1	31
Maintenance	2	2			4
Day Care		2			2
Housekeeping	6	10			16
Resident Services	2	2			4
Total	71	116	3	2	192

The general organizational structure at Golden Manor is consistent with that of other municipalities

The City has instituted what is considered to be a best practice by educating one of their existing staff to become a nurse practitioner

The Administrator is supported by:

- ◆ a Director of Nursing
- ◆ a Manager of Environmental Services
- ◆ A Supervisor of Leisure, Support Services and Admissions
- ◆ a Manager of Housekeeping & Laundry
- ◆ A Food Services Supervisor
- ◆ Community Home Support Services Co-ordinator

This is consistent with organizational structures employed in other homes of similar size.

The City currently contracts the services of a dietician. A number of other LTC facilities also contract these services and have identified partnering opportunities with hospitals or share resources between several municipally operated homes. In other cases, the services of the dietician is provided through a food services contract.

Staff have been organized into multi-disciplinary teams which meet to discuss and resolve issues and this is considered to be a best practice.

Nursing Practitioner

Nursing practitioners are seen by many in the industry as a very welcome addition to the staff of long term care facilities and an effective way to address the scarce physician resources. In addition, nursing practitioners provide education to other staff around key issues such as hydration, dementia, impaired swallowing, pain management, palliative care, and IV therapies. Other benefits beyond improved quality of resident care include improved communication with residents and families and improved skill level of other LTC staff.

The City has played a leadership role in permitting one staff members to attend courses to become a nurse practitioner. This is considered a best practice in the industry. In addition, the City has also received funding for this initiative. This will increase the City's staff complement by one full-time position.

Golden Manor is doing an excellent job in effectively utilizing volunteers

Volunteers

Volunteers play a significant role in the long-term care service sector. Volunteers provided services including transportation, food delivery and visiting. Challenges with volunteer supply as indicated by research include:

- ◆ Changing demographics: existing volunteers are aging and new retirees are not volunteering in the same numbers or in the same way
- ◆ Recruiting, co-ordinating and training volunteers and recognizing volunteer contributions, require volunteer management professionals with adequate resources

Best Practices in Volunteers

According to research, best practices in volunteers include:

- ◆ Recognizing volunteers as valued team members
- ◆ Attracting a range of volunteers who can meet needs in diverse geographic, ethno-cultural and linguistic communities
- ◆ Recognizing and respecting volunteer motives in offering services
- ◆ Providing training and support as required

The City is doing an excellent job with respect to utilizing volunteers. According to information received from staff, interest in volunteering has increased as a result of the mandate that every home establish a Family Council which includes representation from family and friends of existing or past residents.

The City provides training programs for its volunteers on an ongoing basis. Golden Manor networks with the other societies that also use volunteers such as the Red Cross and March of Dimes. Golden Manor has approximately 90 volunteers. Appropriate screening is undertaken by Golden Manor including a police clearance and every effort is made to match volunteers to their areas of interest.

Salaries in Timmins are higher for RNs, Personal Care Workers and particularly for RPNs

Salaries

As shown on the following tables, the salary rates for RNs and RPNs in Timmins are the highest in the survey of those municipalities that responded to our inquiries.

The RPNs at the top end of the pay scale are 13% higher than the survey average. This impacts the overall cost of operations in the City of Timmins.

The salaries for Personal Care Workers, which comprise the largest portion of the work force are very close to the survey average (within 1% of the average at the high end of the pay scale)

	RN		% from Average (High)
	Low	High	
Bruce	\$ 21.99	\$ 33.08	-1%
Muskoka	\$ 22.10	\$ 33.23	-1%
Sudbury	\$ 22.71	\$ 33.73	1%
Lanark	\$ 22.44	\$ 33.75	1%
SSM	\$ 22.44	\$ 33.75	1%
Peterborough	\$ 22.44	\$ 33.75	1%
Average	\$ 22.35	\$ 33.55	
Timmins	\$ 22.58	\$ 33.96	1%

	RPN		% from Average (High)
	Low	High	
Bruce	\$ 18.29	\$ 19.01	-4%
SSM	\$ 18.07	\$ 19.28	-3%
Sudbury	\$ 18.62	\$ 19.53	-1%
Muskoka	\$ 18.43	\$ 20.00	1%
Lanark	\$ 19.02	\$ 20.24	2%
Peterborough	\$ 20.04	\$ 20.78	5%
Average	\$ 18.75	\$ 19.81	
Timmins	\$ 21.48	\$ 22.41	13%

	Personal Care Workers		% from Average (High)
	Low	High	
SSM	\$ 15.47	\$ 16.41	-5%
Muskoka	\$ 15.47	\$ 16.51	-4%
Peterborough	\$ 16.05	\$ 16.86	-2%
Bruce	\$ 16.87	\$ 17.54	2%
Lanark	\$ 16.91	\$ 17.89	4%
Sudbury	\$ 17.91	\$ 18.43	7%
Average	\$ 16.45	\$ 17.27	
Timmins	\$ 16.44	\$ 17.50	1%

Salary/wages and benefit costs are above average in Timmins however the hours worked per bed are below average

Salaries and Staffing Levels

The following table summarizes salary costs on a comparable basis using a per bed and a per diem calculation. In addition, information on the average salary/wage has been provided along with a comparison of the number of hours worked on a per bed basis. A calculation of the proportion of salaries, wages and benefits to the total operating budget has also been calculated.

Municipality	# Homes	# Beds	Total Salaries/Bed	Total Salaries/ per Bed/ per Diem	Average Wages (Salaries only)	Total Person Hours Worked # of Hours	Hours per Bed	% of Salaries to Gross Expenditures
SS Marie	1	284	\$ 32,294	\$ 88	N/A	N/A	N/A	81%
North Bay	1	206	\$ 34,365	\$ 94	N/A	N/A	N/A	79%
St. Thomas	1	136	\$ 35,126	\$ 96	\$ 29	163,675	1,203	71%
Sudbury	1	342	\$ 35,161	\$ 96	\$ 25	473,153	1,383	82%
Peterborough	1	167	\$ 35,542	\$ 97	N/A	N/A	N/A	83%
Bruce County	2	243	\$ 35,682	\$ 98	\$ 24	360,272	1,483	82%
Hastings County	2	363	\$ 35,850	\$ 98	\$ 24	553,671	1,525	84%
Renfrew County	2	346	\$ 38,585	\$ 106	\$ 26	505,050	1,460	80%
Lanark County	2	263	\$ 39,718	\$ 109	\$ 34	310,411	1,180	83%
Chatham-Kent	2	310	\$ 39,776	\$ 109	\$ 30	413,776	1,335	86%
Elgin County	3	247	\$ 45,133	\$ 124	\$ 23	480,000	1,943	84%
Cornwall	1	132	\$ 46,693	\$ 128	\$ 22	285,830	2,165	82%
Oxford County	3	228	\$ 48,570	\$ 133	\$ 26	420,160	1,843	84%
Average		251	\$ 38,653	\$ 106	\$ 26		1,552	82%
Timmins	1	177	\$ 42,147	\$ 115	\$ 30	246,740	1,394	85%

The City of Timmins' salaries as a percentage of total operating expenditures are second highest in the survey of 14 municipalities (FIR 2003). This will be impacted in part to the extent of contracting services across the survey, which as will be shown later in the report is very low in Timmins.

The total salaries per resident bed and per diem in Timmins are above average (2003 FIR), driven in part by higher than average salaries. The average salaries/wages in Timmins is \$30, second highest in the survey compared with a survey average of \$26. This is consistent with the relative salary rates shown on the previous page. Sault Ste. Marie, with lower salary rates for RPNs and Personal Care Workers has the lowest salary/wage cost per bed and per diem. While St. Thomas and Bruce County have lower than average salaries/wages on a per diem basis, this is driven in part by the fact that they contract out their food services.

Staffing hours per bed are an indicator of staffing levels...the levels in the City of Timmins are below average but salaries as a % of expenditures are higher—this could be due to the mix of staff used/salary levels

The table also summarizes the overall staff hours per bed to provide a comparison of the staffing levels within each municipally-owned facility using the 2003 Financial Information Returns. Because the composition of part-time and full-time staff varies by facility, the best indicator of staffing levels is to compare the total staff hours on a per bed basis.

While this is a relatively good predictor of staffing levels, this does not factor in the composition of staff providing service; Registered Nurses versus RPNs or Health Care Workers or the level of care required at each of the facilities. Having said this however, this does provide a general indication of the staffing levels.

In total, 14 municipalities were included in the analysis, representing a cross section of homes. Information was not available for several homes such as Peterborough, North Bay and Sault Ste Marie because the service is provided either jointly or by another level of government such as the District of Algoma or Nipissing.

The staffing levels based on the total number of hours per bed in Timmins are below the survey average and are comparable to Sudbury and Chatham-Kent. While the overall staffing levels are consistent with the City of Greater Sudbury, the salaries/bed/diem in Sudbury (\$96) are considerably lower than Timmins (\$115), even though the wages rates for Personal Care Workers in Sudbury are the highest in the survey. This should be further investigated to determine the cause of the difference. With higher than average costs and lower than average hours in Timmins, a number of factors should be further analyzed:

- ◆ Higher than average salaries (as already provided)
- ◆ The **mix of staff** used to provide the services
- ◆ The extent of **overtime** and benefits
- ◆ Internal policies
- ◆ Level of care required (CMI)
- ◆ Contracted services

The City of Peterborough, with a mandate to operate at a break even position (excluding capital requirements), has lower than average salaries/bed/diem costs than Timmins. There did not appear to be any advantage or synergies associated with the operation of more than one home. For example, the salary/wages costs in many of the municipality's with multiple homes were higher than municipality's operating one home.

The LTC facility owned by the District of Muskoka is operated and managed by Extencicare with a mandate to be operated with no municipal subsidy

The core services of a long-term care facility are typically considered those services associated with resident care. Resident care is the service which is provided by Registered Nurses, Registered Practical Nurses, Personal Care Workers and Resident Services Aides.

Further analysis and review should be undertaken on these core services to identify if there are opportunities to create efficiencies while still maintaining the high level of service provided at Golden Manor.

Example of Contracting Administration

The only example of a municipally owned LTC facility that has contracted its management is the Pines in the District of Muskoka. This is a similar sized municipal long-term care facility that has entered into a management agreement with the private sector. The District of Muskoka owns the facility, is responsible for all capital but Extencicare has been hired under a management contract to operate the facility.

Based on the original agreement, the objectives of undertaking a management and operations contract included the following:

- ◆ Eliminate the subsidy to the LTC facility by the District by no later than December 31, 2000 (Contract was initiated in September 1997)
- ◆ Maintain and building on the Pines reputation for excellence in the delivery of long term care

The employee contract provisions were retained however the initial intent was to gradually transfer staff from employees of the District to employees of Extencicare, however, after 7 years, the staff continue to be employees of the District, except the Administrator.

Significant performance measures and provisions in the contract have been incorporated to ensure quality of service

Some of the key points of the original contract included but are not limited to :

- ◆ Submission of a business plan before the end of each year for the following year, defining all budgets, workplans, including quality assurance, human resources, resident services, health services delivery, community involvement, facilities management etc.
- ◆ Meetings with the District not less than quarterly to review actual performance compared to the business plan
- ◆ Performance objectives that include:
 - ◆ Providing the highest possible operating standards, encompassing excellence of product, services and physical surroundings
 - ◆ Retaining the finest staff available
 - ◆ Operating in a manner consistent with the organizational values of the District

Based on discussion with District, cost saving opportunities were realized by partnering with a private sector partner with good management, staff, and controls.

The private sector firm also provides the systems, procedures, monitoring tools and purchasing power to achieve further efficiencies.

Council's public policy objective was to operate their facility with no subsidy from the District (for operations). This is not the current public policy objective of the City of Timmins or the majority of the other municipally operated LTC facilities. While the District of Muskoka is now providing LTC services with an operating budget that breaks even through a management contract, it is beyond the scope of this study to undertake an indepth analysis of what if anything this has meant to the overall quality of care at the facility.

Recommendations

That the Administrator review the staff mix, the use of overtime and internal policies to rationalize the existing higher than average salaries/wages/benefit costs of operations.

Material costs are above the survey average at Golden Manor

Materials & Contracts

The following table summarizes the cost of materials and contracts per bed and per diem across the survey. As shown below, material costs at Golden Manor are slightly above the survey average while the use of contracted services are amongst the lowest. It should be noted that the Materials/per bed/diem and Contracts/bed/diem are very consistent with the City of Sudbury, however, as shown previously, the salaries/bed/diem in Sudbury is significantly lower than in Timmins. Therefore, the overall operating costs for Sudbury are below the costs in Timmins.

Municipality	Materials/Bed	Materials/ per Bed/ per Diem	Contracts/ per Bed	Contract/ per Bed/Diem
Chatham-Kent	\$ 4,089	\$ 11	\$ 883	\$ 2
SS Marie	\$ 4,868	\$ 13	\$ 2,549	\$ 7
Peterborough	\$ 5,643	\$ 15	\$ 1,550	\$ 4
Hastings County	\$ 5,709	\$ 16	\$ 841	\$ 2
Lanark County	\$ 6,444	\$ 18	\$ 1,736	\$ 5
St. Thomas	\$ 6,513	\$ 18	\$ 7,858	\$ 22
Elgin County	\$ 6,527	\$ 18	\$ 2,003	\$ 5
Sudbury	\$ 7,099	\$ 19	\$ 397	\$ 1
North Bay	\$ 7,609	\$ 21	\$ 1,607	\$ 4
Bruce County	\$ 7,730	\$ 21	\$ -	\$ -
Cornwall	\$ 7,829	\$ 21	\$ 2,559	\$ 7
Renfrew County	\$ 7,986	\$ 22	\$ 1,524	\$ 4
Oxford County	\$ 8,968	\$ 25	\$ -	\$ -
Average	\$ 6,693	\$ 18	\$ 1,808	\$ 5
Timmins	\$ 6,958	\$ 19	\$ 392	\$ 1

The only contracted work within Golden Manor is the dietician.

The City may wish to investigate opportunities for joint purchasing either with the hospital or other service providers such as Extencicare

Municipal Best Practices

Some of the best practices that have helped municipality's lower their material costs include joint purchasing arrangements. St. Thomas and Bruce County contracts food preparation through an outside contractor and indicated that this has saved on food costs and are pleased with the overall quality of the service. Muskoka and Peterborough use a group purchasing system. In consultation with the facilities, purchasing specifications are developed for most products and supply volumes are grouped together into contracts to take advantage of national volume. Purchasing power includes food items and such things as capital equipment, furnishings, cleaning supplies, nursing supplies, paper goods, office supplies and more. Cost savings may be achieved through preferred suppliers to facilities.

There are opportunities to pursue new partnering arrangements with the private sector to achieve efficiencies. Other municipalities such as Chatham-Kent and Peterborough contract out their laundry requirements while Chatham-Kent provides laundry services for its Fire Department through the long-term care facility. The City of St. Thomas contracts its janitorial services. Other municipalities have shared dietician services between two facilities (hospital or two LTC facilities) or receive the service through the food service arrangement.

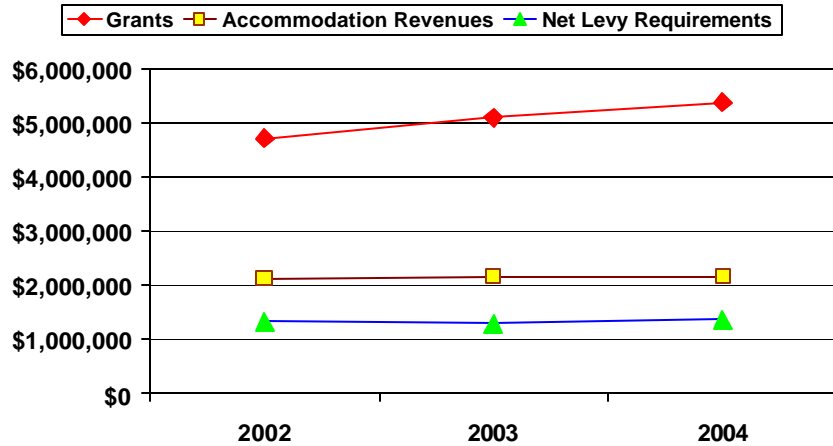
Ancillary services to the operation of a LTC facility include those services necessary for residents such as health and safety through building services; cleanliness through housekeeping services and laundry services; nutritional needs through dietary services; planning and management through administrative services. This is an area where other municipally operated facilities have sought to achieve cost saving opportunities. While not the largest component of the budget, efficiencies through contracting, developing partnerships and joint purchasing may reduce the overall cost of operations.

Recommendations

That Golden Manor review the potential for cost saving opportunities that can be achieved for food and other supplies through bulk purchases or contracting services.

Revenue Analysis

The following graph reflects the trends associated with the three main sources of revenues for Golden Manor based on the budget for 2002-2004.



While there has been an increase of 14% over the past three years in grants/subsidies budgeted from the Province, accommodation revenues have remained relatively the same.

The City of Timmin's taxpayers are required to contribute 14.5% of the total cost of operations at Golden Manor in 2004. This has also remained relatively constant over the past 3 years.

Revenues on a per bed per diem basis are above average in the City of Timmins...driven by higher than average grants and subsidies

User fees are amongst the lowest in the survey

Beyond the contributions from the taxbase, there are two main sources of revenues associated with LTC facility operations; grants from the Province and User Fees paid by residents. As shown below, the Conditional Grants received by Golden Manor are higher than the survey average, with \$84 per bed per diem compared with an average of \$77 per bed per diem. Conditional grants per bed per diem range from \$60 in Sault St. Marie to a high of \$86 in Bruce County and Peterborough.

User fees per bed per diem in Timmins are the second lowest than the survey. The survey ranges from \$35 in Sault Ste. Marie to a high of \$59 in Cornwall. User fees in Timmins as a percentage of the total costs are amongst the lowest, due in part to higher than average salaries. Various factors impact the level of user fees that can be collected within a facility including:

- ◆ Composition of preferred versus ward accommodation
- ◆ Ability of residents to pay preferred rates
- ◆ Policies of the home in charging the full rates under the Provincial legislation

Municipality	Conditional Grants/ Bed Per Diem	User Fees Per Bed/Diem	Total Revenues/Bed Per Diem	User Fees % of Total Operating Expenditures
Elgin County	\$ 75	\$ 41	\$ 116	28%
Oxford County	\$ 77	\$ 44	\$ 121	28%
Renfrew County	\$ 83	\$ 41	\$ 127	31%
Chatham-Kent	\$ 81	\$ 40	\$ 120	31%
St. Thomas	\$ 80	\$ 43	\$ 124	31%
SS Marie	\$ 60	\$ 35	\$ 95	32%
North Bay	\$ 69	\$ 42	\$ 111	35%
Bruce County	\$ 86	\$ 42	\$ 128	35%
Sudbury	\$ 73	\$ 43	\$ 116	37%
Lanark County	\$ 71	\$ 48	\$ 120	37%
Cornwall	\$ 79	\$ 59	\$ 144	38%
Hastings County	\$ 80	\$ 44	\$ 130	38%
Peterborough	\$ 86	\$ 46	\$ 137	39%
Average	\$ 77	\$ 44	\$ 122	34%
Timmins	\$ 84	\$ 40	\$ 124	29%

Conditional Grants

Timmins collects higher than average conditional grants than the survey average. This is driven in part by the level of care required in each of the facilities and the resident's ability to pay for accommodation.

For example, the case mix index (CMI) in some of the municipalities such as Bruce County and Peterborough which receive a higher level of provincial funding also have a higher CMI.

Municipality	Conditional Grants/ Bed Per Diem
SS Marie	\$ 60
North Bay	\$ 69
Lanark County	\$ 71
Sudbury	\$ 73
Elgin County	\$ 75
Oxford County	\$ 77
Cornwall	\$ 79
St. Thomas	\$ 80
Hastings County	\$ 80
Chatham-Kent	\$ 81
Renfrew County	\$ 83
Peterborough	\$ 86
Bruce County	\$ 86
Average	\$ 77
Timmins	\$ 84

The Case Mix Index is used by the Province to determine in part the level of funding for each LTC facility...this is based on the level of care required

Case Mix Index

In 1993, the Ontario Ministry of Health set out a new funding system for Long Term Care Facilities. A resident needs based funding formula was used to establish a fixed per diem payment for accommodation, food and programming, and a variable per diem for nursing and personal care as determined by the case-mix index (CMI).

Long-term care residents present a wide range of needs and require varying levels of services and staff resources to provide these services. In Ontario, all Long Term Care Facilities must use the Alberta Classification System on an annual basis to help establish each facility's funding level. The classification system is a predictive system in that it measures 8 indicators of care requirements (eating, toileting, transferring, dressing, potential for injury to self and others, ineffective coping, urinary incontinence and bowel incontinence) grouped into three domains of activities of daily living, behaviors of daily living and continuing care. The scores are used to predict the residents total care requirements and from this a CMI is developed.

The CMI is a measure of the facility's level of care as it applies to the proportion of residents in each category that reflects their nursing and personal care requirements, as compared to the provincial average. The higher the index, the higher the provincial subsidy and the higher the need for personal care.

Three main documentation processes that classifiers look at:

- ◆ Care plan
- ◆ Quarterly Summary note
- ◆ Incidental notes

The City is following best practices in terms of recording information used to establish the facility's CMI

Best Practices—Supporting CMI

Care Plan

As stated in an article entitled, “Improving your Case Mix: Document For Accuracy and Funding Will Follow,” Care plans must ensure all members of the Health care team, on all shifts, are included in the updates to the care plan. Best practices indicate that since many of the definitions of the eight-case mix indicators refer to certain times of the day, it is important to specify if there are variances in the resident’s need for assistance throughout the 24 hour day. Classifiers look at the care plan first, so this is an important document.

Quarterly Summary Notes

To avoid contradictions, all sources of documentation should be updated at the same time for consistency. The resident’s assessment care plan and the quarterly summary notes should be updated by the same person for best practice.

Incidental Charting

This should be undertaken year round. Staff should be accustomed to a specific format of writing behavioural charting. It is important to have properly written notes as the charted incidental notes are the proof that classifiers need to determine whether there is over 30-minutes or over two hours of nursing intervention. Best practices indicate that the incidental charting should include:

- ◆ Behaviour exhibited by the resident
- ◆ Nursing interventions
- ◆ Timing and frequency

Practices With Golden Manor

Staff are trained to complete the forms to maximize funding available and to ensure accuracy. An orientation program is provided for all new staff to review the charting and recording procedures. Training sessions are held in Sudbury and select staff are sent to gain additional insight. Based on discussions with the Director or Nursing and in reviewing the forms used, the City is following best practices.

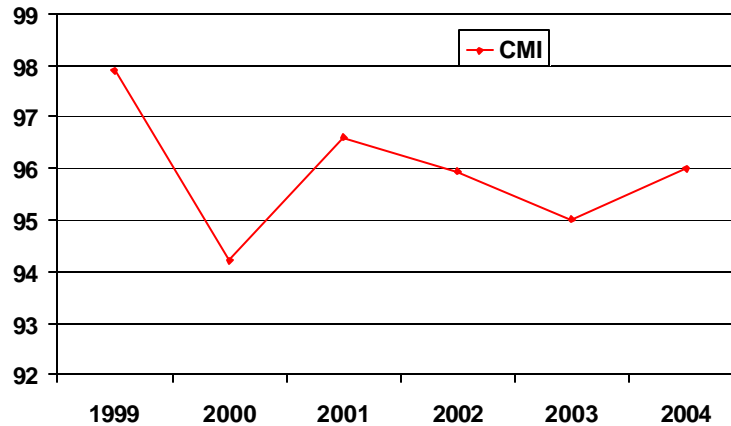
The CMI has fluctuated over the years, but in each of the past 6 years, Golden Manor's CMI remains below the provincial average...this means that the level of care required is lower

A review of the level of care needs of residents occupying long-term care facilities within the District of Cochrane indicates that, on average, these residents are relatively healthier than residents in other provincial long-term care facilities. In comparison to the provincial CMI average of 100, the Cochrane District LTC facility residents have lighter care needs.

Healthier residents housed within an environment which provides a high level of care will, naturally live longer. Longer life spans will in turn affect turnover rate within a facility, which in turn influences access to the current supply of long-term beds.

The following summarizes the CMI for Golden Manor over the past 6 years.

- 1999—CMI of 97.91
- 2000—CMI of 94.23
- 2001—CMI of 96.61
- 2002—CMI of 95.85
- 2003—CMI of 95.02
- 2004—CMI of 96.01



93% of Golden Manor's rooms are preferred accommodation. While the City is permitted under legislation to charge up to 60% of its residents preferred accommodation rates, currently only 12% of the residents pay some form of preferred accommodation premium...these premiums are set below the limit permitted by the Province

User Fees

User fees per bed per diem at Golden Manor are lower than the survey average.

According to the Long-Term Care Facility Design Manual, the ratio of standard and preferred accommodation, as set out in regulations governing all long-term care facilities, require that a minimum of 40% of the residents must be charged at the basic accommodation rates, regardless of the accommodation composition. This permits charging up to 60% of the residents at preferred accommodation rates. This charging policy must be adhered to regardless of the design of the building.

Municipality	User Fees Per Bed/Diem
SS Marie	\$ 35
Chatham-Kent	\$ 40
Elgin County	\$ 41
Renfrew County	\$ 41
Bruce County	\$ 42
North Bay	\$ 42
St. Thomas	\$ 43
Sudbury	\$ 43
Oxford County	\$ 44
Hastings County	\$ 44
Peterborough	\$ 46
Lanark County	\$ 48
Cornwall	\$ 59
Average	\$ 44
Timmins	\$ 40

The composition of rooms within Golden Manor are as follows:

Type of Accommodation	# of beds	% of Total
Private	70	38%
Semi-Private	101	55%
Ward	12	7%
Total	183	100%

While there are 171 private and semi-private beds within Golden Manor, which is equivalent to 93% of the total beds available, the City can only charge preferred rates to a maximum of 60% (106 residents). There are currently only approximately 22 individuals paying some form of premium accommodation, considerably lower than that permitted by the Provincial legislation.

The majority of the municipalities surveyed set their preferred rates at the Provincial thresholds

The Provincial legislation permits LTC facilities to charge an additional \$8 for semi-private accommodation and \$18 per pay for private accommodation, however, the City's policy is to charge only \$12 for private accommodation and no charge for semi-private rooms.

Based on discussions with the Administrator, the approach has been to gradually increase the preferred rates over time. For example, the preferred rates were previously set at \$5/day but have been increased to \$12 per day. The preferred accommodation revenue associated with Golden Manor is budgeted at approximately \$112,000.

Some of the other municipalities have taken the same approach as Timmins by charging preferred rates below the Provincial limit such as Peterborough and Renfrew County. The majority of the other municipalities such as Bruce County, Chatham-Kent, Lanark County, Oxford County and Thunder Bay charge the maximum rate allowable under the legislation. This increases revenue generating opportunities and reduces the level of subsidy required from taxpayers. The City of Cornwall, which created a new facility in 1994 with 82% of its rooms private, generates additional preferred accommodation revenues, within the Provincial limits.

Based on the Provincial legislative requirements, the total preferred accommodation revenue premium potential for Golden Manor exceeds \$550,000, compared with the current revenues of approximately \$112,000. While it is anticipated that there is additional revenue generating opportunities within Golden Manor beyond what is currently being collected for preferred accommodation, it would be unrealistic to expect that the home would be able to meet full premium accommodation revenue projections noted above due to income levels. Additional user fee revenue would offset the tax levy. For example, if Timmins were able to achieve user fees at the survey average, this would reduce the level requirement by \$258,000.

Recommendations

That the user fees for private accommodation be increased to the maximum allowable level under the legislation.

That the current policies for preferred accommodation be reviewed and formally adopted by Council.

Costs are higher than average in Timmins on a per bed, per capita and per 100,000 of assessment basis

Summary of Revenues and Expenditures

The cost to the taxpayers in the City of Timmins is higher on average on a per capita basis, a per bed and also on a cost per 100,000 of assessment. This is driven by a number of factors including:

- ◆ Higher than average number of beds per 1,000 of population
- ◆ Higher staffing costs
- ◆ Lower user fees
- ◆ Lack of sharing of the costs across the District
- ◆ Low assessment base

This is also impacted by the overall cost of services provided, the level of service provided and how the services are provided.

Municipality	Net Operating Expenditures per bed	Net Operating Expenditures per capita	Total Net Expenditures per capita (All)	Net Operating Expenditures Per 100,000 of assessment
SS Marie	\$ 5,070	\$ 19	\$ 33	\$ 46
North Bay	\$ 3,097	\$ 12	\$ 12	\$ 23
St. Thomas	\$ 4,277	\$ 16	\$ 26	\$ 34
Sudbury	\$ 405	\$ 1	\$ 9	\$ 2
Peterborough	\$ (7,281)	\$ (16)	\$ 8	\$ (28)
Bruce County	\$ (3,337)	\$ (13)	\$ 35	\$ (16)
Hastings County	\$ (4,839)	\$ (14)	\$ 23	\$ (76)
Renfrew County	\$ 1,667	\$ 6	\$ 16	\$ 13
Lanark County	\$ 4,008	\$ 17	\$ 37	\$ 32
Chatham-Kent	\$ 2,345	\$ 7	\$ 21	\$ 10
Elgin County	\$ 11,382	\$ 34	\$ 50	\$ 80
Cornwall	\$ 4,611	\$ 13	\$ 42	\$ 31
Oxford County	\$ 13,361	\$ 31	\$ 32	\$ 42
Average	\$ 2,674	\$ 9	\$ 26	\$ 15
Timmins	\$ 4,086	\$ 17	\$ 29	\$ 31

The City of Timmins has one of the highest number of beds per population of all the municipalities surveyed. This will have a significant impact on the net operating, the net expenditures on a per capita and a per 100,000 of assessment basis. For example, the City of Timmins has in excess of 4 municipal beds per 1,000 of population compared with approximately 2 municipal beds per 1,000 of population in Sudbury. The net expenditures per capita are higher in Timmins than Sudbury.

The net operating expenditures per bed are ten times higher in Timmins as Sudbury even though the revenues on a per bed basis are higher in Timmins.

The net operating expenditures per 100,000 of assessment is double that of the survey average. With a higher proportionate number of beds in Timmins and a lower assessment base, there is additional burden placed on residents of Timmins.

Cost Sharing Arrangements

There is no cost sharing arrangement in the District of Cochrane to offset a portion of the operating costs of the City owning and operating Golden Manor. Districts such as Algoma, Perry Sound, Kenora and Thunder Bay all have long term care facilities that are **cost shared** amongst the municipalities within the District. North Bay has a 240 bed facility operated by a Board of Management on behalf of the whole District. Costs are shared by municipalities within the District based on an equalization formula administered by the Province.

In Counties operating long term care facilities, all municipalities within the County contribute to the facility's costs of operations. For example, in the Counties of Hastings and Oxford, all municipalities within the County contribute based on weighted assessment to the cost of long-term care. Within the County of Peterborough, the operating costs are shared between the City and the County.

Other cost sharing arrangements not included in the municipalities selected for benchmarking include the County of Simcoe where municipalities contribute to the overall cost of operations based on where the resident originally resided.

A unique cost-sharing has recently been undertaken in the District of Algoma. There were two municipal homes in the District, cost shared amongst the municipalities. One of the homes located in Sault Ste. Marie was classed as a "D" facility with 222 beds in need of repair. As well, the Ministry approved an additional 148 beds for the district. A new 370 bed facility was built with 25% of the capital provided by the City of Sault Ste. Marie. In return, the City of Sault Ste. Marie would no longer be required to contribute to Long Term Care. The Home was in turn converted from a district home to a not-for-profit home.

Timmins represents approximately 56% of the assessment of the Cochrane District. However, pay 100% of the only municipally owned long term care facility within the District. There continues to be demand for additional beds at the facility.

As shown below, if the City were to benefit from a cost sharing arrangement, similar to other areas based on assessment, this would reduce the City's costs by approximately \$600,000 annually.

District of Cochrane	2002 Taxable Assessment	% of total assessment	Current Allocation of LTC Net Expenditures	Using Assessment to Allocate LTC Net Expenditures 2004	Costs/Savings
Hearst	246,245,605	7%		\$ 97,493	\$ 97,493
Iroquis Falls	212,839,284	6%		\$ 84,266	\$ 84,266
Kapuskasing	313,771,312	9%		\$ 124,227	\$ 124,227
Smooth Rock Falls	92,681,118	3%		\$ 36,694	\$ 36,694
Cochrane	198,841,250	6%		\$ 78,724	\$ 78,724
Moosonee	50,648,375	1%		\$ 20,053	\$ 20,053
Black River Matheson	164,393,185	5%		\$ 65,086	\$ 65,086
Moonbeam	71,081,480	2%		\$ 28,142	\$ 28,142
Fauquier-Strickland	38,263,455	1%		\$ 15,149	\$ 15,149
Val Rita-Harley	49,280,050	1%		\$ 19,511	\$ 19,511
Mattice - Val Cote	61,329,870	2%		\$ 24,281	\$ 24,281
Opasatika	35,293,450	1%		\$ 13,973	\$ 13,973
Timmins	1,930,813,400	56%	\$ 1,372,040	\$ 764,440	\$ (607,600)
Total	3,465,481,834	100%	\$ 1,372,040	\$ 1,372,040	\$ -

This has been provided for **illustrative purposes** to identify how cost sharing works in some of the other municipalities surveyed and the potential benefit to the City of Timmins.

It is recommended that the City investigate the ability to create a fair and equitable cost sharing arrangement within the District. Failing this, the City should pursue additional funding from the Province based on need, the large catchment area being served and the limited availability of alternate services for seniors.

Recommendations

That the City investigate the ability to increase provincial subsidy and/or create a fair and equitable cost sharing arrangement within the District to fund long term care.

Management Information

Current Systems

Golden Manor is currently using Campana Goldcare Financial for monthly billing, receivables, and Comfort Trust. Daycare billing is done using Excel because Goldcare does not have the ability to handle billing.

While the Daily Census report is used as input for billing, and notification of changes, no other resident reports are produced. Room lists, nutritional requirements, and all scheduling of blood work, bowel exams, annual physicals, and physician visits are done using various lists and Outlook Calendar. This is highly manual but appears to be competently done.

The Goldcare Staff Scheduling module was purchased but is not being utilized. Instead the scheduling of RN's, RPN's, and PSW's is done using Excel, with no count totals being set up so that counts have been done manually. All other lists are maintained manually, including seniority lists, shifts worked or refused to work and order to call, staff availability, etc.

A call-in system is used to keep the schedule current for absentee and sickness calls. On a daily basis, administration must manually do Unit Assignments for a week in advance with rotations according to union contracts. Access to Vadim financials are considered a big step forward.

Needs and Future Plans

There is no computerized nursing care plan at present, but this is planned with coming staff succession.

The nursing resident profile is maintained in Excel. While no other needs were stated, it is obvious that the Campana Goldcare system is not being effectively utilized to minimize manual effort and provide a centralized record. This appears to have come about as a result of staff turnover, and no follow-up training.

It may be effective to have the Campana system supplier, come in and do a review to determine if better utilization of the system can create efficiencies.

There is an immediate need to improve the use of technology for staff scheduling, maintaining seniority lists, shifts worked etc to ensure the most efficient and effective use of staff resources.

The Campana Goldcare system is not being effectively utilized

Problems and Issues

The Goldcare system was implemented but with the turnover in staff, knowledge of the system is limited. None of the current staff interviewed has been trained on the Goldcare system but have picked it up, consequently, many of the Goldcare features or available reports are not being utilized.

No one is trained on the use of the system Report Writer for the creation of special reports out of the system.

There is also a great need for training in Excel and Word across the board.

Recommendations

That the Campana system supplier be requested to determine if a better utilization of the system could create efficiencies, particularly in the area of staff scheduling which is the largest cost of operating Golden Manor.

That training on Goldcare Financial system be provided to the required staff.

That Excel and Word training be provided to the users of Golden Manor.

Satisfaction Surveys

Many homes have introduced regular satisfaction surveys to continually improve their service and care.

The Province recommends a mandatory yearly satisfaction survey to be administered by the Family Council or other third party.

The Administrator of Golden Manor is on a Provincial Committee to develop an appropriate survey for long term care facilities.

Recommendations

That upon finalization of the survey, it be administered by the Family Council or other third party with the results reported directly to Council.

Formal performance measurements should be developed and reported

Performance Measures

Performance measurement is an essential tool required to create efficiencies and ensure the effectiveness of operations. Without performance measurement, it is virtually impossible to know if quality exists or improvement is occurring. Performance measurement can assist Council members in making strategic policy decisions. It can also indicate whether service delivery is effective in terms of the work load undertaken.

It is recommended that performance indicators be established, measured and reported at least annually to Council. The Ontario Benchmarking Initiative (OMBI) Long Term Care panel has been developing appropriate long term care performance measures and these can be used by Golden Manor. These include but are not limited to the following:

- ◆ CMI
- ◆ Annual Occupancy Rates
- ◆ # of staffed hours per resident day
- ◆ Ratio of municipal beds/total beds
- ◆ # of volunteer hours
- ◆ Laundry utilization
- ◆ Overtime hours
- ◆ WSIB
- ◆ Preferred accommodation revenues
- ◆ Satisfaction levels
- ◆ Nutritional indicators

Recommendations

That performance indicators be established for efficiency and effectiveness to measure actual performance data that can be reported to Council at least on an annual basis.