

Long-Term Care Home Service Accountability Agreement Frequently Asked Questions

VERSION 6.0
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Introduction

This FAQ document has been prepared for use by both LHINs and health service providers in the Long-Term Care sector. It is organized around the topics addressed in the L-SAA. Cross references have been provided to facilitate finding answers to common questions.

A brief glossary of terms used in this document has been included for ease of reference. The definitions are consistent with those used in the L-SAA.

Glossary

Act means the *Long-Term Care Homes Act, 2007* and any regulations made under that Act.

Home means the Long-Term Care Home in respect of which a license or approval has been given.

HSP refers to “health service provider” and in the context of the L-SAA, means the holder of the licence or approval under the Act and the entity that enters into the L-SAA with a LHIN.

L-SAA means Long-Term Care Home Service Accountability Agreement.

LTC means Long-Term Care.

Ministry means Ministry of Health and Long-Term Care.

A. GENERAL QUESTIONS ABOUT THE L-SAA TEMPLATE

- When signing the L-SAA, there is space for two signatures. Is it a firm requirement to have two people signing the L-SAA for the HSP?***

Legally, it all comes down to delegation of authority. If the board of the HSP has given a single person has the authority to enter into the L-SAA then all that is required is that single person's signature. If the HSP's Board requires two signatures, then two signatures are required.
- As the operator of a municipal Home, how would you suggest that I address the issue of fiscal uncertainty (i.e. lack of specific details on Ministry funding formulas in 2010 and for subsequent years) when asking Regional Council to agree to sign a 3-year agreement with a provision for balanced budgets?***

The LHIN understands the fiscal uncertainty facing LTC homes as well as the rest of the health care sector. All HSPs funded by the LHIN sign multi-year accountability agreements with funding levels identified for the first year only. At this time the LHIN is not able to provide funding information beyond the current year because that information is not available from the Ministry.

E. FUNDING AND ADJUSTMENT OF FUNDING

- What is the status of our stabilization funding envelope? We have not received this yet and were hoping to better understand when we can anticipate this arriving.***

The Ministry has recently approved the continued addition of \$1.55 to the per diem. This is one time funding for the period of April 1, 2010 to March 31, 2011. Note that this is not an increase in funding per se, but a continuation of the one-time funding provided during the last fiscal year.

H. REPS, WARRANTIES, LIABILITY, INDEMNITY & INSURANCE– ARTICLES 10 & 11

- Do all HSPs need to provide LHINs with a certificate of insurance before they sign the L-SAA?***

As noted in Article 11.5 (c), HSPs are required to provide the LHIN with a valid certificate of insurance on or before the commencement of the L-SAA.

J. SCHEDULES

- Our municipal home has recently retrofitted beds that were previously classified as "C" type when we submitted our LAPS in the fall of 2009. We were advised by the Capital Branch that upon completion of the retrofit, the beds are classified as "new beds" and not "A" beds in the L-SAA Schedule A. There is no "new" classification in table A.2 in Schedule A. Should we list the beds under "other"?***

Yes. Please ensure that they are identified as “new”.

2. ***How is RPN funding captured in the L-SAA?***

Estimated Provincial Subsidy (EPS) is defined in the LTCH funding policies, in particular in the LTCH Cash Flow Policy and the Reconciliation and Recovery Policy. The definition includes the RPN funding and any other funding streams. EPS is a defined term in Schedule C of the L-SAA, which states that EPS “means the estimated provincial subsidy calculated in accordance with Applicable Policy”.

3. ***In Schedule C 4.4, what is meant by “the Estimated Provincial Subsidy” in the “Other Accommodation Envelope”? What would the provincial subsidy consist of in the Other Accommodations Envelope?***

“Envelope” is defined as “a portion of the Estimated Provincial Subsidy that is designated for a specific use.” The definition sets out the four envelopes, including the Other Accommodation Envelope. The “Estimated Provincial Subsidy” in the “Other Accommodation Envelope” means the Other Accommodation portion of the Levels-of Care per diem funding, [as per](#) the LTCH Level of Care Per Diem Funding Policy.

4. ***Why have Financial Statements been removed from Schedule D of the L-SAA?***

The LHINs removed the quarterly reporting requirements for Financial Statements in Schedules D in response to the sector’s expressed concern regarding the requirement for Audited Financial Statements. Financial risk monitoring of individual licensees will therefore be achieved through LHIN review of the LTC Home Annual Report (Annual Reconciliation Report), which is already identified as a required report within the L-SAA, and by two financial solvency indicators: Current Ratio and Debt Service Coverage Ratio.

5. ***Why have the two financial solvency indicators - Current Ratio and Debt Service Coverage Ratio - been converted to TBD in Schedule E, suggesting they could become performance indicators in 2010/11?***

To support the LHINs’ requirement for a robust financial risk monitoring process, two financial solvency indicators - Current Ratio and Debt Service Coverage Ratio – have been advanced to the first year of the L-SAA (2010-11), instead of the third year (2012-13), as was originally planned. This change was made in conjunction with the support of the sector Associations. Developing the implementation plan for these financial solvency indicators will occur through the processes of the LHIN Health System Indicator Steering Committee (comprised of representatives from the LHINs, Ministry, Ontario Health Quality Council and other experts) and sector consultation.

6. ***Are the policies listed in Schedule F available on one site?***

All new or revised policies listed in Schedule F can be accessed on the Ministry’s website by linking to the following address and clicking Long-Term Care Home Service Accountability Agreement:

English: http://www.health.gov.on.ca/english/public/program/ltc/15_facilities.html

French: http://www.health.gov.on.ca/french/publicf/programf/lctf/15_facilitiesf.html