
Policy: Registered Practical Nurses in Long-Term Care Homes
Initiative Funding Policy

Date: 2010-07-01

1.1 Introduction

The purpose of this policy is to provide the rules and processes by which Local Health Integration Networks (LHINs) will provide funding to licensees of Long-Term Care (LTC) homes related to the Registered Practical Nurses (RPN) in LTC Homes Initiative.

2.1 Overview

The LHIN will provide funding to licensees in support of RPN positions. Funding is calculated using a formula that includes the number of eligible bed days for a home and the home's case mix index (CMI). All licensees receive at least a minimum amount of funding for each LTC home, based on average RPN salary that ensures each home has enough funding to create and sustain at least one new RPN full-time equivalent (FTE) position.

3.1 Definitions

Classified Beds – refers to long-stay beds that are licensed or approved under the *Long-Term Care Homes Act, 2007* where the care needs of the residents occupying those beds have been assessed and a CMI has been assigned for the bed.

Convalescent Care Beds – refers to the beds that are licensed or approved under the *Long-Term Care Homes Act, 2007* and are designated for the Convalescent Care Program as short-stay supportive care beds and identified as Convalescent Care Beds in Schedule B of a licensee's Long-Term Care Home Service Accountability Agreement. Convalescent care beds receive the base LTC level-of-care (LOC) *per diem* funding, as set in the *Level-of-Care Per Diem Funding Summary* for the applicable period. Convalescent care beds also receive an additional subsidy of \$61.59 *per diem*.

Licensee – has the same meaning as in section 2(1) of the *Long-Term Care Homes Act, 2007*.

Unclassified Beds – are new licensed or approved LTC beds under the *Long-Term Care Homes Act, 2007*, where, for the purposes of case mix adjustment, the care needs of the new residents have not been calculated. Unclassified beds are funded at the base LOC *per diem* in effect for that period as set in the *Level-of-Care Per Diem Funding Summary*. The base LOC *per diem* funding is set at a CMI of 1.0.

4.1 Scope

This policy is in relation to funding for 1,200 RPN positions in LTC homes announced on May 9th, 2007. \$57.4M was provided to licensees for the initiative in 2008/09, the first full year of funding. This initiative is intended to establish new full-time RPN positions in LTC homes. Funding is expected to contribute to a net increase in full-time RPN positions, effective January 1, 2008.

5.1 Funding Approach

Minimum funding has been provided to ensure that the licensee for each home was, with the establishment of the funding initiative in 2008, able to add at least one new full-time RPN position in the home; this minimum amount is based on the average cost to a home of employing a full-time RPN. In 2009/10, minimum funding per home was \$48,790 annually. The funding amount will be adjusted annually, subject to additional funding availability. Minimum funding is provided to homes with capacity of 66 beds or less (including unclassified and convalescent care beds); however, if the home's CMI is such that the home would be eligible to receive an amount greater than the minimum, the licensee for the LTC

home will receive the greater amount. Each licensee's funding for the LTC home will be calculated and compared accordingly, to determine the greater amount.

Funding will be based on a set *per diem* rate (in 2009/10, the rate was \$2.03 per resident per day); in the case of classified beds, the per diem will be adjusted according to the home's CMI. Unclassified and convalescent care beds will not be adjusted for CMI. Funding under this policy does not apply to Beds in Abeyance.

For 2009/10, each LTC home licensee's funding has been calculated as follows:
($\$2.03 \times \text{CMI} \times \text{maximum eligible classified bed days}$) + ($\$2.03 \times \text{maximum eligible convalescent care days}$) + ($\$2.03 \times \text{maximum eligible unclassified bed days}$).

This funding methodology will continue until further notice, with adjustments made to the *per diem* rate, bed days and CMI, as appropriate.

RPN Funding is defined as non-Levels of Care funding and is subject to adjustment, as per the *LTCH Reconciliation and Recovery Policy*, based on changes to CMI and bed count.

6.1 Accountability

Funding provided under this policy is part of non-levels of care funding provided in the Nursing and Personal Care envelope and is subject to the conditions and definitions of that envelope (as per *Guidelines for Eligible Expenditures for LTCH*). A licensee must use the funding to create and maintain RPN FTE positions for the home, including the creation of at least one full-time equivalent RPN position. This funding may be used only as intended; such use may also include top-up of existing part-time RPN positions to full-time status. With this funding, licensees are expected to increase direct care to residents in every home.

For any new funding provided during the term of the L-SAA, a licensee may be required to provide sign-back indicating acceptance of the terms and conditions of funding and amending its existing service accountability agreement and/or Schedules with the LHIN to reflect the new funding.

Use of funds must be reported in the Long-Term Care Home Annual Report. In the event that funding is not applied as required, the licensee shall return to the LHIN, upon request, any amounts not required or that such amounts may be set off against amounts payable by the LHIN to the licensee, as per the *LTCH Reconciliation and Recovery Policy*.