

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 transfer payment sectors funded by the LHIN sign multi-year accountability agreements with funding levels identified for the first year only. While the L-SAA does not specifically address future funding increases, it does confirm that funding will continue at current levels and HSPs should budget accordingly.

The LHIN understands organizations have contractual commitments to meet. It is the organization's responsibility to identify potential savings to offset the increased costs in the event funding does not increase over the term of the agreement.

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. The funding uncertainty is not new to the LHIN model. Under the old service level agreements with the Regional Offices, HSPs often did not know their current year funding until well into the fiscal year.

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 on-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 validate certificate of insurance on or before the commencement of the L-SAA.

J. SCHEDULES

1. ***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”?***

Response - Ministry

2. ***In reviewing Schedule C, reference is made to the Estimated Provincial Subsidy and the Construction Subsidy Funding. However, I do not see reference to other specific funding such as the Registered Practical Nurse funding which is currently provided under our current service agreement with the Ministry. This is also not referenced in Schedule G. Our current Long-Term Care Home Payment Calculated Notice the Estimated Monthly Provincial Subsidy only captures the envelope funding. How is Specific Initiative Funding being addressed? Is it considered part of “Approved Funding” and therefore not required to be identified in to Schedule G? I just want to ensure the RPN funding has not been missed.***

Response - Ministry

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?***

Response - Ministry

4. ***Why has the requirement for Audited Financial Statements been removed from Schedule D of the L-SAA?***

The requirement for submitting an Audited Financial Statement has been removed from Schedule D of the L-SAA because, for many operators, this document does not provide an adequate level of detail on specific licensees for the purposes of financial risk monitoring as required by the L-SAA.

Financial risk monitoring of individual licensees will 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 LHIN's 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 agreement (Fiscal Year 2010-11), instead of the third year (FY 2012-13), as was originally planned. Converting these financial solvency indicators into performance indicators is anticipated to occur over the first three months of the agreement in consultation with the LTC Sector Associations.

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

Policies 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/ltcf/15_facilitiesf.html