Long-term care accommodation rate changes to improve service

Low-income Albertans to receive assistance with increase in long-term care rates

Edmonton...Accommodation rates in Alberta's long-term care facilities will increase as of August 1, 2003 to improve the quality of resident care and services. With the rate increase, the Government of Alberta has also adjusted its financial assistance programs to minimize the impact of the increase on low-income residents of long-term care centres.

The $12 per day increase brings standard accommodation fees to about $40, closer to the true cost of room and board and still below the daily maximum in all provinces except Quebec. Alberta's current rate for a standard bed is about $28. The charges for a semi-private room also go up $12 per day to $42, and charges may go up to $48 for a private room. The increase will give operators an additional $58 million a year to improve the living environment for residents.

With the exception of the January 2002 increase for inflation of between $3.47 and $4.00 per day, rates have not changed since 1994. As a result, rates have not kept pace with the cost of providing room, board and housekeeping services. This has made it difficult for facility operators to maintain the required level of accommodation support.

The accommodation rates paid by residents are not for health care services. Government continues to pay about $95 per day for health care services, such as nursing care and rehabilitation therapy.

"Every person in long-term care deserves the best possible quality of life, and this increase will help operators provide that," said Gary Mar, Minister of Health and Wellness. "At the same time, only those who can afford to will pay directly. Government assistance programs will cover the cost for those with lower incomes. It is a matter of fairness."

Financial assistance will be available for eligible low-income residents to minimize the impact of the increase in accommodation rates. Of the approximately 14,000 residents in long-term care, just under 8,000 receive financial assistance through programs like the Alberta Seniors Benefit (ASB), Assured Income for the Severely Handicapped (AISH) and Supports for Independence (SFI).

"We have been working with the Alberta Long Term Care Association on ways to help their membership improve services to their residents and although rates are going up, residents will benefit from the increase," said Stan Woloshyn, Minister of Alberta Seniors. "To minimize the impact of this increase, we will be adjusting the monthly payments of the 7,000 seniors living in long-term care facilities who are currently receiving monthly cash benefits under the Alberta Seniors Benefits. The amount of the increase will be up to $370 per month."

Alberta Human Resources and Employment will pay the increase for the 775 non-seniors in long-term care who are receiving AISH or SFI benefits.

Residents' accommodation fees cover services like food and meals, housekeeping, bed linens and building maintenance. They apply only to nursing homes and auxiliary hospitals, and long-term care in acute care hospitals, mental health hospitals and care centres. Palliative care and sub-acute care patients are exempt. The fees do not apply to senior lodges, lodge cottage units or similar accommodation.

In 1999, the Long-Term Care Review, (the Broda report) recommended increases in long-term care rates to improve the quality of care and services. Government accepted the recommendations.
Alberta's long-term care accommodation rates are among the lowest in the country (see attached chart). The new rates are effective August 1, 2003.

For further information, contact:

Michael Shields - Alberta Health and Wellness - (780) 427-7164
Jan Berkowski - Alberta Seniors - (780) 415-9950
Dial 310-0000 for toll free access outside Edmonton
Access is available on-line at http://www.health.gov.ab.ca

Backgrounder

June 17, 2003

Long-term care accommodation rate changes

Services / products funded through accommodation charges include:

- Food
- Nutritional supplements
- Meal preparation and meal service
- Housekeeping services
- Utilities
- Routine maintenance
- Improvements to facility décor (paint, carpet, furnishings)

Services / products funded by Alberta Health and Wellness through the regional health authorities include:

- Nursing services
- Personal care services
- Recreation
- Medications and medical-surgical supplies
- Physical therapy and occupational therapy
- Transportation, including ambulance transport, for prescribed services

Residents are responsible for:

- Accommodation charges
- Personal laundry service
- Hair care
- Personal goods and services
- Transportation for recreational purposes
The rate increase will also cover costs for some services for which some residents may have been paying an extra fee, including such things as:

- Extra baths as needed
- Incontinent supplies
- Wander guard bracelet with batteries
- Cable television connections in rooms

Accommodation Rates in Alberta:

<table>
<thead>
<tr>
<th>Accommodation</th>
<th>Daily Fees Paid</th>
<th>Monthly Fees Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current</td>
<td>New</td>
</tr>
<tr>
<td>Type by Resident</td>
<td></td>
<td></td>
</tr>
<tr>
<td>by Resident</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard (742 beds)</td>
<td>$28.22</td>
<td>$39.62</td>
</tr>
<tr>
<td>Semi-Private (8797 beds)</td>
<td>$29.93</td>
<td>$42.00</td>
</tr>
<tr>
<td>Private (3934 beds)</td>
<td>$32.60</td>
<td>$48.30</td>
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</tbody>
</table>

Comparison of Provincial Accommodation Rates for Long-Term Care Facilities

March 2003 Update

<table>
<thead>
<tr>
<th>Province</th>
<th>Maximum Daily Accommodation Rate</th>
<th>Income Test*</th>
<th>Asset Test**</th>
</tr>
</thead>
<tbody>
<tr>
<td>British Columbia</td>
<td>$50.00</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Alberta (August 1, 2003)</td>
<td>Standard: $39.62 Semi-private: $42.00 Private: $48.30</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>$52.76</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Manitoba</td>
<td>$61.40</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Ontario</td>
<td>Standard: $47.53 Semi-private: $55.53 Private: $65.53</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Quebec</td>
<td>Standard: $29.47 Semi-private: $39.64 Private: $47.43</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Province</td>
<td>Level 3: $105.00</td>
<td>Level 4: $134.00</td>
<td>Yes</td>
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<td>------------------------</td>
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<tr>
<td>New Brunswick</td>
<td></td>
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<tr>
<td>Nova Scotia</td>
<td>$204.00</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>Government-owned Facilities: $117.00 Private Facilities: $146.69</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>(October 2002)</td>
<td></td>
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<tr>
<td>Newfoundland</td>
<td>$93.33</td>
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<td>Yes</td>
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<td>(October 2002)</td>
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</tbody>
</table>

*Income Test - Residents pay according to income.
Alberta does not use income testing to determine rate, but provides subsidies to residents through income support programs.
** Asset Test - Value of assets is also used to determine rate.

**For further information, contact:**

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