



**OLTCA**



# **Honouring Their Legacy**

## **Caring for Seniors, Strengthening Our Communities**

**2025 BUDGET SUBMISSION**



**1-in-5**

Seniors over 80 have complex care needs requiring 24-7 support and care

Ontario seniors are pillars of our communities, dedicating their lives to supporting and serving others. As Ontario's population ages, we must recognize the urgent need to honour our seniors by ensuring that the compassionate and comprehensive care they deserve will be there when they need it most.

Ontario's long-term care (LTC) homes play a vital role in their communities. Throughout our province, north and south, urban and rural, Ontario families rely on LTC homes to provide specialized care and affordable housing for their loved ones in need.

## **PART 1 — ONTARIO'S LONG-TERM CARE SECTOR**

Ontario's long-term care sector is a leader in care, quality living and innovation. Our province has 615 homes with over 76,000 spaces to care for residents.

The Ontario Long Term Care Association (OLTCA) represents 70 percent of Ontario's LTChomes. OLTCA membership reflects the range of operating models in the long-term care sector: non-profit and charitable organizations, municipally operated, private operators, Centres for Learning, Research and Innovation, and First Nations homes. Our membership also reflects the breadth and diversity of our province. Ontario has:

- **215 homes in rural communities**
- **360 small homes with 128 spaces or less**

LTC homes provide affordable housing and specialized care for people with cognitive impairment and complex care needs. The Government of Ontario licenses and regulates every LTC home in the province and all resident care is fully publicly funded, with any money not used on care returned to the government. Residents pay only for their accommodation, with homes offering a minimum of 40 percent of spaces at a reduced rate based on a resident's income.

The Government of Ontario has made strides in building a sustainable, high-quality long-term care sector, through efforts like:

- **Committing to build 30,000 new and redevelop 28,000 older LTC spaces to better ensure homes are available for Ontario residents when they need them**
- **Investing in additional supports for people living with dementia, including those experiencing behavioural symptoms**
- **Providing additional funding for homes to increase the average hours of care per resident per day**
- **Supporting programs to grow and strengthen the long-term care workforce, including tuition grants and onsite education**
- **Addressing workforce shortages by amending regulations to allow more flexibility in staffing homes while enabling registered staff to work to their full scope of practice**
- **Providing new and increased funding to support the hiring of Nurse Practitioners (NPs) in homes**

Long-term care continues to advance quality and cultural initiatives that focus on resident-centred care programs, including emotion-focused care models. Additionally, there are new and continuing partnerships between long-term care homes and hospitals, universities, colleges and municipalities as we all work together to better serve Ontario's seniors. All together, these initiatives are part of a unique model that adapts to each home and individual residents' needs.

Our sector's innovative work has been enabled and enhanced by Ontario's funding commitments over the past few years. By addressing historical underfunding of the sector, Ontario will be better able to support seniors in the future.

Still, more support is needed. Ontario has almost 200 older homes that urgently require redevelopment to meet the needs of today's seniors with modern design standards for rooms, shared spaces, corridors and exits. Sadly, economic realities are putting future redevelopment at risk for these homes.

## Ontario's Most Urgent Healthcare Priority

Ontario's demographics are changing rapidly, with the number of seniors over 80 growing at four times the rate of the rest of the population. Our province's over 80 population is projected to double by the year 2040, and specialized senior care will increasingly become Ontario's most urgent healthcare priority. We must be ready.

## Improving Access and Reducing Wait Times

While Ontarians prefer to age at home, that's not always possible. 1-in-5 seniors over 80 will have complex care needs, including cognitive impairment, requiring the 24-7 care of a LTC home. Of the new residents admitted to long-term care today:

- **89% need support with daily living activities**
- **72% have moderate-to-severe cognitive issues**
- **40% new residents need acute medical monitoring**

Seniors entering long-term care today are older, with an average age of around 82, require high levels of support, have 10 different medications and more than five comorbidities. According to the Canadian Institute for Health Information (CIHI), only 5.5 percent of LTC residents could be cared for outside of LTC homes. These residents rely on long-term care homes because they do not have informal caregivers to support them at home, or their community lacks the home care and support services they need.



**76,624**

Spaces throughout the province



**215**

Ontario's homes in rural areas



## Ageing at Home is a Challenge

More than 48,000 Ontario residents are currently on the waitlist for long-term care, a number expected to exceed 50,000 by March 2025.

In Ontario, the median waiting time for LTC placement is 126 days, and currently, most are crisis admissions directly from hospitals. Most Ontarians wait well over a year for placement, and even longer for a place in the home of their choice.

## Caregivers are Distressed

Many seniors are cared for by family and friends. In Ontario, 40% of these caregivers are distressed providing an average of 40 hours of care per week. Most caregivers report that they are under significant strain as the demands of care leave them feeling tired, anxious, overwhelmed, burnt out, frustrated and depressed.

Caregiver burnout is real and often a factor in the decision to apply to long-term care. A 2023-24 study by the Canadian Institute for



**48,000+**

Seniors on waitlist



**126** DAYS

Median waiting time  
for placement

Health Information (CIHI) reports that nearly 2-in-3 caregivers facing distress say it is difficult to continue providing care.

## PART 2 — THE FUTURE OF LONG-TERM CARE IN ONTARIO

While the demands are significant and growing, there is some good news for Ontario's long-term care sector.

The 2024 Ontario Budget announced renewed investments toward rebuilding and expanding long-term care capacity, increasing residents' hours of care and enhancing staffing programs. Ontario's recent commitments include:

- **\$6.4 billion towards adding 30,000 new long-term care spaces by 2028 while redeveloping 28,000 existing spaces across the province**
- **\$4.9 billion over four years to retain and hire staff and increase the residents' average hours of direct care to four hours per day**

The 2024 Budget also helped correct the historic underfunding of the sector that impacted our homes' ongoing operations and their ability to secure financing and equity for development and redevelopment.

As of December 2024, 131 long-term care homes being developed or redeveloped are: completed; under construction; or have approval to start building, leaving nearly 200 more homes to be redeveloped.

## A Solid Foundation

These commitments will better support a sustainable future for long-term care. Going forward, appropriate policies that recognize and support the importance of culture as the primary driver of quality care, combined with investments in stable and predictable funding, will allow Ontario's long-term care sector to continue improving and enhancing the lives of our residents. In turn, this will foster more innovation and an expanded slate of seniors' services. A viable and sustainable culturally-driven LTC sector will empower Ontario to evolve beyond addressing immediate needs to embracing future possibilities and providing individualized, specialized and holistic care and services to seniors, caregivers and families.

Nonetheless, challenges remain. Ontario's LTC homes continue facing financial pressures undermining their capacity to operate, build and innovate, while also restricting their efforts to retain staff under a punitive compliance regime embedded in legislation and regulation.

Ontario has almost 200 older homes, mostly in small rural communities or Toronto, facing substantial barriers to redeveloping. Financial deficits jeopardize their operations and future redevelopments, highlighting the need for further support.

## Building Strong: Our Priorities for the Future

OLTCA envisions a future with the best quality of living for Ontario's seniors. Our members strive to build a sector where Ontario's seniors age with dignity and respect in homes providing comfort, quality and compassionate care.

Our vision builds on three pillars:

1. Ensuring Stable, Predictable Funding
2. Strengthening Capital Re/Development Pathways
3. Growing the Long-Term Care Workforce

Ontario's long-term care sector is at a critical juncture, with OLTC member homes concerned about their ability to meet the capacity and care needs of their current and future residents. As

Ontario's ageing population's care needs and preferences become more complex, Ontario's families and communities will be highly reliant on our long-term care homes to meet the ongoing needs of the population.

## A Growing Challenge Ahead: The Rising Costs of Long-Term Care

Ontario's recent funding commitments, if sustained, will lay the foundation for the sector to serve those in need by delivering innovative, sustainable and accessible long-term care in their communities.

Still, more is needed to ensure that homes are equipped to care for their residents in the face of cost increases that are outpacing complex care needs and funding, including:

- Labour cost increases resulting from arbitrated awards, combined with added recruitment, retention, HR and related expenses;
- Increasing acuity of residents;
- Rising utility costs driven by climate change;
- Rising food, medical supplies, building maintenance and ageing infrastructure replacement costs (i.e., roofs, boilers, HVAC, elevators etc)
- Rising insurance rates with higher deductibles and risk due to less coverage; and
- Construction cost escalation due to supply chain issues and skilled labour shortages.



NEARLY  
**174,000** JOBS

Long-term care  
creates for local  
economies



**179**

Homes impacted  
by wardroom  
reductions

Redevelopment of Ontario's 28,000 older LTC spaces was to not only upgrade these homes, but in the process, eliminate all third and above ward spaces. The absence of a viable capital program delayed redevelopment and the pandemic exposed the Infection Prevention and Control (IPAC) challenges of this accommodation resulting in the closure of 3,500 beds in 179 LTC homes.

To lessen the impact of the loss of these beds, the Government of Ontario has partially funded these unoccupied spaces, helping ensure residents' safety and the continued viability of these homes. This funding has been essential to enabling homes to cover fixed operating costs, meet debt service requirements and maintain staffing levels.

Long-term care homes depend on stable, predictable and sustainable funding that recognizes their cost and debt service pressures, and most importantly, their commitment to providing quality services and care to those they serve.

Without immediate deliberate action, a number of Ontario's long-term care homes may be forced to close, leaving their current residents without care or a home in their community. Waitlist application numbers will surge and time for placement will lengthen. Without appropriate long-term care capacity, pressures on local emergency rooms will intensify, and the demands placed on family physicians will be amplified, at a time when there is a critical shortage. The burden on caregivers and community supports will become unmanageable, especially in light of existing capacity limits.

## **Building for Tomorrow: Viable Development for Long-Term Care**

Even amid this challenging construction environment, long-term care homes continue building and modernizing to best serve their current and future residents.

Ontario's historic investment in redeveloping LTC homes means 131 homes are now built, under construction, or have approval to build.

Building a long-term care home is challenging regardless of any additional pressures. The entire development process, including planning, land acquisition, zoning and construction, takes about five years. Land prices, interest rates and construction costs will undoubtedly rise over that period, exacerbating uncertainty as to how much and how fast this will happen.

The overall cost can exceed \$500,000 per bed, depending on project specifics, including: geography, access to trades, affordable land, red tape and fees. As such, building a 128-bed home will cost more than \$64 million to construct.

Building and redeveloping LTC homes requires operators to navigate complex financial challenges. Operators face the upfront obstacles of raising equity and securing long-term financing. Homes will need to commit millions of dollars just to apply for redevelopment. Inflation has not improved access to equity, and development grants have remained unchanged since 2020. Many homes face high development charges through their municipal and regional governments, which further challenge the feasibility of the current redevelopment funding model.

Once construction is complete and the LTC home can serve the community, it faces additional challenges created by the absence of the operational funding certainty needed to satisfy its long-term debt obligations. Financial instability is exacerbated through rising interest rates, along with regulations capping preferred fees for accommodation well below the rate of inflation or the annual increases in government pensions (i.e. CPP, OAS, GIS and GAINS).

LTC homes in urban centers and rural areas face unique challenges in their building projects. For example, in urban communities like Toronto, where land is limited and cost-prohibitive, the design standards will need to be flexible to create solutions for building vertically while continuing to meet the needs of the resident population. It is most worrisome when combined with delays in license extension announcements which lead to uncertainty among lenders and insurers.



## Supporting Caregivers: Creating a Workforce to Last

Ontario's long-term care sector requires a thriving workforce to meet the growing demands of our ageing population. By 2029, long-term care homes will require more than 58,600 additional nurses and personal support workers (PSWs) to meet increased care hours and new capacity.

The global shortage of healthcare workers continues to strain the entire healthcare system.

Statistics Canada data shows that job vacancy rates in the health care and social assistance sector across Canada have risen nearly 60 percent in the last five years.

Labour costs are rising. Some recent arbitrated wage settlements have imposed additional costs for many homes. Ontario has committed to move to 4 hours of care per resident each day, but further efforts are required to meet the needs of residents living in long-term care.

Long-term care is also being challenged in its ability to recruit and retain staff. Instead of

building culture as the path to ensuring resident safety and quality of care, government policy is increasingly focusing on fault-finding, compliance and enforcement. This approach dissuades potential recruits while compelling the best staff to leave for other parts of the health care system.

## The Heart of their Communities: Profiling Two Ontario Long-Term Care Homes Facing Financial Pressures

Small family-owned and operated long-term care homes are pillars of their communities, offering valuable services to seniors while supporting their local economies. However, small homes face significant challenges under the current operating and funding policies. Two OLTC member homes provide prominent examples.

## Three Generations in Huron County

With strong roots in Huron County, a small home with 69 spaces is owned and operated by the third generation of its founding family.

After many decades in the sector and community, the current owner knows every resident and staff member. He is steadfastly passionate about person-centred care.

Like many other older homes, this home was forced to close spaces and limit occupancy to two residents per room. The home currently operates 51 spaces. Even with this reduced capacity, the home has a significant economic presence in the region, contributing almost \$8 million towards GDP, including over \$5 million in local income. The home's care saves approximately 1,400 caregiver hours per week, valued at more than \$40,000 in potential weekly income.

The home is working toward redevelopment, aiming to bring back the closed spaces while adding additional capacity. If redeveloped, the home will offer 96 long-term care spaces for future seniors. This added capacity would increase the home's estimated GDP contribution to almost \$15 million, including over \$10 million in local income. A redeveloped home would add 1,300 weekly hours of saved caregiver time and a potential weekly income value of more than \$76,000.

### Strong Ties in Rural Ontario

In a rural Southwestern Ontario community, a small, family-owned long-term care home is currently licensed to operate 60 spaces, with another 40 people waiting to enter the home.

As the only home in the area, it maintains strong ties and a positive reputation throughout the community. The home is entirely staffed by committed community members who live in the area.

When Ontario's long-term care homes moved to a policy of only two residents per room, resident spaces in the home's ward-style rooms were taken out of operation. This reduced the home's overall revenue by 30 percent and has left it unable to meet its fixed costs while maintaining adequate staffing levels. Without sufficient funding, the home's ongoing operations and ability to redevelop are at risk.

Even with reduced capacity, the home has a significant economic presence in its region, contributing over \$6 million to local GDP and over \$4 million in local income. The home's care saves approximately 1,100 caregiver hours per week, valued at more than \$33,000 in potential weekly income.

## PART 3 - OUR INNOVATIVE POTENTIAL: OPPORTUNITIES FOR THE FUTURE

Ontario's long-term care sector is a leader in innovative solutions. There are many opportunities for Ontario's LTC homes to be global leaders in new innovative approaches to care that meet the increased residents' needs, provided we can stabilize the sector with funding that meets the current actual costs for homes' daily operations while creating pathways for all homes to modernize and redevelop.

### Long-Term Care Without Walls

Long-Term Care Without Walls promotes healthy ageing at home by helping older adults and their caregivers access knowledge, resources, support and services. By addressing social isolation, increasing health-related knowledge, and empowering communities, these "seniors' hubs" enable older adults to live independently longer, in the community they call home.

Long-Term Care Without Walls is a collaborative effort between the long-term care sector, communities and families, leveraging the sector's specialized knowledge in caring for the elderly, and community resources to support flexible, community-based initiatives to better serve those in need.



**82** YEARS

Average age of admission





Ontario's LTC homes are exploring the opportunity to create Long-Term Care Without Walls. The model is working well in New Brunswick and has great potential to recognize the expertise LTC homes have in dementia care, while alleviating caregiver stress.

This model has significant impact on rural communities where senior and community services are limited.

### **Emotion-Centred Care: Compassion Transforming Dementia Support**

Alzheimer's and other dementias are complex and progressive conditions. As of 2020, about 250,000 Ontarians were living with these diseases, a number projected to exceed 750,000 by 2050.

When families can no longer provide care, Ontario's long-term care homes offer essential support, including expertise in dementia and end-of-life care. Many LTC homes are adopting emotion-focused models, emphasizing emotional connections, home-like environments, and routines tailored to residents' preferences and prior life experiences.

Caring for someone with dementia requires a deep understanding how the disease uniquely affects each person. Approaches that reassure residents and improve quality of life enable staff to provide effective, compassionate care.

LTC homes provide person-centred care with activities like individualized music and art therapy. These improve mood, reduce pain, and address dementia-related behaviours, creating moments of joy and connection for residents and their families.

### **Campuses of Care: A Comprehensive Approach to Senior Living**

Campuses of care are innovative, integrated communities combining services and housing options for seniors so they can age in place. Long-term care is a key component, offering specialized support for those with higher needs. However, campuses often also include independent living, social housing, retirement residences, assisted living for those requiring some daily support, and services like day programs, primary care clinics, on-site pharmacies and physiotherapy facilities.

This integrated model provides multiple options in one area to meet seniors' diverse needs, supporting their choice, independence and well-being.

### **Cultural Homes and Programming: Honouring Our Diverse Heritage**

Ontario is home to many culturally-specific, faith-based and linguistically-specialized homes, addressing the unique needs of Ontario's diverse population.

For example, the Yee Hong Centre for Geriatric Care operates long-term care homes for Ontario's Chinese community, offering

services in Cantonese, Mandarin and English, along with culturally appropriate activities and cuisine. Toronto's Baycrest is another leader in the cultural space. Founded in 1918 as the Toronto Jewish Old Folks Home, today Baycrest is a global leader in residential living for older adults.

Culturally-specific, faith-based and linguistically-specialized LTC homes and programs play a unique role in long-term care. These programs offer a sense of community and belonging for seniors who may feel isolated due to language barriers or cultural differences. This familiarity can significantly improve mental health and overall well-being.

### **COLLABORATIVE INITIATIVE: UNIVERSITY CAMPUSES AND PEOPLECARE SENIORS VILLAGE**

Trent University and peopleCare Communities are developing a groundbreaking initiative on Trent's Symons Campus in Peterborough. This initiative includes a 224-bed long-term care home, addressing local care needs while fostering intergenerational community connections. Designed to integrate seniors into university life, the partnership promotes social well-being and lifelong learning. The LTC home will serve as a hub for research at Trent's Centre for Aging & Society while providing hands-on learning opportunities for students in nursing, social work and kinesiology. The home will also anchor Trent University's planned future University-Integrated Seniors Village, with the collaboration overall setting a new standard for seniors living and experiential education.

## **PART 4 - OLTCA RECOMMENDATIONS FOR THE 2025 ONTARIO BUDGET**

Ontario's seniors have built our communities. They were there for us, and we must be there for them, providing care, choice, compassion, and dignity.

The 2024 Ontario Budget offered historic funding commitments. However, there are increasing challenges on the horizon. We must stabilize the funding model while addressing the challenges of our residents' growing complex needs, increasing numbers of overburdened caregivers, a stretched healthcare system and a rapidly ageing population.

LTC homes in some Ontario communities are at risk of closing as current funding models do not cover the actual costs of operation and further pathways to redevelopment. As a province, we cannot let that happen. Those homes play crucial roles in their communities — delivering care, providing relief for caregivers, creating jobs, bolstering the local healthcare systems, and alleviating pressures on community services.

The Ontario Long Term Care Association (OLTCA) has a vision for high-quality, sustainable long-term care that meets the growing needs of Ontario seniors today and in the future.

The following recommendations address critical and timely needs in three areas: ensuring stable funding, strengthening capital development, and growing the long-term care workforce — providing immediate, actionable steps to ensure that Ontario's seniors receive the quality care they need and deserve.

### **Priority 1 — Ensuring Stable, Predictable Funding**

Long-term care homes need stable, predictable and sustainable funding that matches their costs to operate today and build for tomorrow.

It is recommended that Ontario:

#### **1. Increase the level of care funding.**

All care is government-subsidized, and LTC funding should keep pace with costs beyond the home's control. For many homes, regulatory changes have increased their fixed costs, while recent arbitrated wage settlements have increased labour costs.

#### **2. Introduce an annual operating grant for Small, Rural and Northern homes.**

LTC homes with fewer than 128 spaces often serve small, rural, or northern communities where they play a vital and unique role. These smaller homes face distinct, exacerbated operating pressures. An enhanced funding model must ensure their sustainability and continued service to their communities.

#### **3. Implement the recommendations made to the 2023 Technical Advisory Table on Funding.**

Implementing those recommendations will provide homes with stability by allowing them to fully utilize the current funding to stabilize operations, improve resident care and quality of life, invest in staff engagement, support redevelopment and the needed additional capacity.



## Priority 2 - Strengthening Capital Re/Development Pathways

Ontario must continue building and modernizing LTC homes to meet the needs of seniors now and in the future.

As Ontario's population grows and ages, we require new homes and additional capacity across the province. More than 200 older homes still require a path to redevelopment.

To meet the sector's capital needs, it is recommended that Ontario:

### 4. Ensure financial stability and predictability so LTC homes can secure financing.

LTC homes need financial stability and predictability to secure the confidence of financial lenders, both private and public institutions.

### 5. Provide government capital funding.

The capital funding provisions must reflect the

actual costs of building. The operators carry the up-front risks, and construction and financing costs have increased, but LTC sector regulations include rate limits preventing the operators from making up incremental gaps.

### 6. Develop specialized solutions for the 200+ homes struggling to find viable capital pathways.

Securing a pathway to redevelopment for the 200+ older homes requiring redevelopment demands flexibility on design standards, concessions on land issues, and support for mixed-use developments.



5.5%

The small percentage of LTC residents that could be cared for elsewhere



615

Homes across Ontario

### Priority 3 - Growing the Long-Term Care Workforce

Long-term care homes must expand their workforce to support homes in meeting the government's commitment to increasing hours of direct care while ensuring homes can maintain vibrant teams.

It is recommended that Ontario:

#### 7. Continue investments to grow and develop Ontario's LTC workforce.

While Ontario has made efforts to increase staffing, funding flexibility is required to support homes with recruitment, IT supports and other human resource functions.

#### 8. Enable LTC staff to work to the full scope of their capacity.

Excellence in care and quality of living is a team effort. Ontario can enable quality care and services for residents by ensuring LTC staff can work to their full capacity by:

- Supporting the position of resident support personnel
- Expanding the capacity of care teams
- Increasing pharmacy capitation funding to enable pharmacist-led medication reconciliation, which will support nursing teams

As homes move increasingly towards resident-centred, holistic, emotion-focused care models, it's important to recognize the value and care delivered by multidisciplinary staff.

#### 9. Enable innovative solutions throughout the LTC sector.

Ontario should enable innovation to better meet residents's needs. Initiatives like "Long-Term Care Without Walls" allow healthy ageing-at-home through a knowledge hub, along with support and services, while directing LTC support to seniors in the community. Seniors deserve to stay in their communities as they age.

#### 10. Foster and invest in a culture of quality.

Government policy is increasingly focused on compliance and enforcement instead of instilling a culture of quality as the path to delivering safe, innovative and excellent care. Public policy must support LTC homes in attracting staff and leaders who share these values.

By embracing these recommendations, we can ensure that Ontario's long-term care sector remains resilient, innovative, and capable of delivering the highest quality care and services for some of the most vulnerable in Ontario. Together we can build a healthier, quality care and living environment for Ontario communities.



## About the OLTC

For more than 60 years, the Ontario Long Term Care Association (OLTCA) has been committed to advancing the quality of long-term care services in Ontario. Today, the OLTCA has the privilege of representing 70% of the long-term care homes in Ontario. Like the system itself, the OLTCA includes a range of ownership models: private operators, non-profit and charitable organizations, municipally operated and First Nation homes.

The OLTCA represents the shared interests of homes across the province and believes in our collective responsibility to build a strong and sustainable long-term care sector that delivers the best quality care to Ontario's seniors.



*The Ontario Long Term Care Association (OLTCA) extends our sincere thanks to our member homes – Durham Christian Homes, Partners Community Health, peopleCare Communities, Perley Health, and Yee Hong Centre for Geriatric Care – for providing the resident and staff photos featured in this submission.*