

Notice of Clarification to 2006 Long-Term Care Bed Allocation for the City of Kingston and the County of Hastings

Please be advised that the following changes/clarifications apply to the 2006 Bed Allocation process. Any further updates will be posted on this website. If you have any questions please contact Catherine Park at Catherine.Park@moh.gov.on.ca.

October 27, 2006

- 1) Please be advised that the deadline for submission of Applications for Long-Term Care Beds in the City of Kingston and Hastings County has now been extended from November 10, 2006 to **Friday, January 26, 2007 at 5 p.m.**

Due to the restrictions on Councils during the municipal election period, an extension to the deadline for the submission applications is required in order to allow newly-elected Councils time to ratify any applications. Therefore, municipal applicants would include a letter from the Chief Administrative Officer indicating that the commitments in the Application are subject to ratification by the new Council.

October 24, 2006

- 1) Please be advised that operators of new LTC beds are currently entitled to the Equalization Adjustment of \$3.25 per day, per resident. The \$3.25 is paid regardless of occupancy. Please include this amount in the Finance Schedule F5 – Proposed Operating Budget, Ministry of Health funding in the following amounts:
Nursing and Personal Care: (Resident Days X (NPC per diem of \$70.52 + EA \$2.29))
Program and Support Services: (Resident Days X (PSS per diem of \$6.82 + EA \$0.13))
Other Accommodation: (Resident Days X (OA per diem of \$45.20 +EA \$0.83) plus Resident Days X Raw Food per diem of \$5.46)

Schedule F5 has now been updated in the Application that is posted on the Web.

- 2) Correction: On Schedule F2 under *Ministry of Health Funding: 4) Supplementary Accommodation Funding the formula states (90% X (Municipal Taxes + Capital Taxes))*. The Ministry currently reimburses homes eligible under the MTAf for up to 85% of municipal taxes assessed and paid. For ease of projecting revenue for the Application please use the 85% figure.

This section should now read:

Supplementary Accommodation Funding (85% X (Municipal Taxes + Capital Taxes)).

Schedule F5 has now been updated in the Application that is posted on the Web.

- 3) Based on a number of queries to the 2006 LTC Bed Allocation project it is clear that a longer overview of applicant entity's financial performance is required in order for applicants to present a more comprehensive picture to the Ministry. Therefore **please submit audited financial statements for the past 3 years** and unaudited interim statements for the current year for all Key Stakeholders. (The definition of Key Stakeholders can be found in the Glossary section of the 2006 LTC Bed Allocation Guidelines.)
- i. If audited financial statements have not been prepared, copies of the past 3 years financial statements together with a letter from the financial officer of the entity providing the financial statements confirming that audited financial statements are not prepared and that the financial statements present fairly the financial position of the entity at the balance sheet date and the operations for the year then ended in accordance with Generally Accepted Accounting Principles (GAAP).
 - ii. If Key Stakeholder(s) do not have sufficient financial capacity, it may still meet the Ministry's financial capacity requirements, if it receives a guarantee from an Affiliate of the Applicant who has sufficient financial capacity. In this instance, the audited financial statements for the Affiliate must be provided together with a non-conditional guarantee from the Affiliate.

If financial statements are not provided, then you must provide equivalent evidence to satisfy the Ministry that you and your Team Members have the financial capacity to meet the requirements of this project. It is up to you to determine what is equivalent, since the Ministry cannot comment on the specifics of an Application or assist in its preparation.

The Ministry must assess your financial capacity to successfully complete your proposed project. You are required to provide information in Schedule F2 on other financial commitments that you or your Key Stakeholders have made if information is not in Audited Financial Statement.

You must provide a list of financial commitments to which the Key Stakeholders are financially committed, including the project/business name, description of the commitment, amount of the commitment and total anticipated project cost. You must also indicate whether the commitments are completed, proposed, or in progress (under development). The nature and amount of any guarantees not previously disclosed in the financial statements provided should be included. If any amount has been accrued in the financial statements and/or disclosed in the notes to the financial statements, a

reference should be made to the relevant financial statements. The reference should include the page and date of the financial statement and indicate the amount included. All business-related financial commitments should be noted.

Please attach to Schedule F2 a written explanation, describing: 1) how material (or significant) these other commitments are to you and your Key Stakeholders total financial capacity; and 2) how the remaining capacity will be applied to ensure the success of your proposed project.

October 11, 2006

- 1) In previous Ministry bed allocation processes there has been separate information and schedules for add-ons of beds to existing LTC homes. In the 2006 bed allocation process there is no separate information or separate schedules for add-ons. This is not meant to preclude adding new beds to an existing home however the Ministry's priority is to build all the beds in the allocation
- 2) On page 19 of the Guidelines there has been a change to Section 2.6 LTC Operations Experience:

The original states:

You will be required to complete Schedule O1 and O2 to explain your organization's long-term care operational experience or how you will operate this long-term care home including your plans for occupancy.

The corrected version is as follows:

You will be required to complete Schedule O1 to explain your organization's long-term care operational experience or how you will operate this long-term care home including your plans for occupancy.

There is no requirement for a Schedule O2.

- 3) Information on contact during the application process was inadvertently omitted from the Guidelines. Section 3.2.1 on page 23 is now part of section 3.2 – Disqualification. The additional text is as follows:

3.2.1 Contact during the Application Process

If you, or any Team Member, contacts a staff person of the Ministry of Health and Long -Term Care about their Application package, the process or Application requirements, he/she will be asked to directly contact the Long-Term Care Planning and Renewal Branch.

Applicants may discuss with each other, or with potential Applicants, whether they are going to be Team Members for the purpose of submitting a joint Application. Applicants however may not collude with each other, or with potential Applicants, in order to lessen competition between Applicants and deprive the Ministry of the benefit of a competitive and open process.

With respect to the 2006 allocation process, the Application requirements, or their Application, you and your Team Members are not permitted to contact:

- Any staff of the Premier of Ontario's office or the Ontario Cabinet Office
 - Any member of the Provincial Parliament or
 - Any members of Cabinet, including the Minister of Health and Long-Term Care, or their staff or advisors.
- 4) On page 13 of the Application Form, Schedule F2 – Financing Capacity in the note at the top of the page the last sentence in the box was inadvertently left out.

The note should now read:

Note: This Schedule is to be used to identify other projects that the Key Stakeholders have made financial commitments to. A written explanation should be attached explaining how material these commitments are and how your remaining capacity will be applied to ensure the success of the proposed project. Please attach the most recent audited financial statement.