



Long-term Care in Nursing Homes in PEI – *Fact Sheet*

March 2007

Key Changes

Effective January 1, 2007, the PEI Department of Health made two significant changes to the way long-term care services are funded in manors and private nursing homes.

What are the Changes?

1. Reduction in the Cost to Residents

Residents in nursing homes will no longer be required to cover the cost of basic health care services. These costs will now be covered by the Department of Health. Residents are responsible for paying only the cost of accommodation portion and personal expenses.

The Provincial Government has established a standard accommodation rate of \$65 per day which will be charged to self-paying residents in manors, private nursing homes will establish their own rates.

This will result in a significant reduction in the cost of care for self-paying residents.

2. Eligibility for Subsidization in a Nursing Home

Residents who are unable to pay for the total cost of accommodations will be required to apply for long-term care subsidization. However, the eligibility for subsidization will now be based on an assessment of income rather than on an applicant's total financial resources, that is, income and assets.

Residents will no longer be required to include their assets in a financial assessment and will no longer be required to liquidate their assets to pay for their cost of care.

What are Basic Health Care Services?

Basic health care services are those funded by the Department of Health and include nursing and personal care, incontinence and infection control measures as well as basic supplies for hygiene and grooming.

Residents will continue to be responsible for personal expenses for such items as eyeglasses, hearing aids, dental services, Internet and/or telephone service, hairdressing, clothing, dry cleaning, personal equipment and general transportation.

What are Accommodation Costs and Services?

Accommodation costs and services are those paid for by the nursing home resident and include housekeeping, laundry, meal services, social/recreational activities and basic trust account services.

What is Assessed Income?

Assessed income refers to the net income of the applicant for the preceding tax year as reported on the applicant's Canada Revenue Agency *Income Tax and Benefit Return* (Line 236) less certain exemptions as provided for in the Act.

Will I have to determine the value of my house or other assets in order to pay for my long-term care costs?

No. Your assets from January 1st, 2007 onward, are no longer included in your financial assessment for the purpose of determining eligibility for subsidization and will not be applied against your cost of care.

<http://www.gov.pe.ca/health>