



SENIORS FOR SOCIAL ACTION (ONTARIO)

Editorial

WHO IS REALLY RUNNING THE GOVERNMENT OF ONTARIO?

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There is currently a question in the minds of Seniors for Social Action Ontario policy analysts - who is actually running the Ontario government?

There are striking similarities between the actions taken by the Mike Harris government (1995-2002) and the Ford government (2018 – Present) in directing public funding towards the mass institutionalization of older adults with disabilities to the benefit of the long-term care industry.

Harris Funds Thousands of LTC Institutional Beds with Taxpayer Funding

From 1998 to 2001 the Harris government announced \$1 billion in taxpayer funding, in three rounds of funding decisions, to build or renovate 20,000 long-term care beds. Construction was to be completed by 2006 but this was later moved up to 2004.

The Harris government was defeated in 2002.

Additional top ups were also offered to LTC operators to “encourage renovations to 1998 design standards, and additional per diems were offered between \$7.00 and \$10.25 per bed for 20 years to operators who exceeded these standards.”

Through this process LTC corporations were, for the first time, allowed to keep 100% of preferred accommodation (semi-private or private) revenues rather than share it with the Ministry (Legislative Library, 2024).

That money likely went straight into the profit margins of institutions owned by private companies.

Is this policy still in effect now in 2024 - that all beds in these institutions must be semi-private or private? If so, the LTC industry must be raking in excessive profits.

Extendicare’s financial reports for the three months ended March 31, 2024 tell the story – and show how the Ford government is currently funneling even more funding to for-profit long-term care companies than it originally seemed.

“Effective April 1, 2024, the Ontario Ministry of Long-Term Care (“MLTC”) implemented a 6.6% blended funding increase, consisting of an 11.5% increase in the other accommodation envelope and approximately 4.5% to the flow-through envelopes. The Company estimates these funding changes will result in incremental annual revenue of approximately \$21.3 million, of which \$12.0 million is applicable to the other accommodation envelope. In March 2024, the MLTC provided LTC operators with one-time funding of \$2,543 per bed to help relieve financial pressures and address key priorities, including capital and maintenance needs, redevelopment and other operating needs. As a result, the Company recognized approximately \$12.2 million in one-time funding in Q1 2024, of which approximately \$9.2 million is retroactive to April 1, 2023.” (Extendicare, 2024).

Extendicare must be so pleased at its fine treatment in Ontario after the [U.S. Department of Justice successfully sued it for \\$38 million to resolve claims that it harmed patients by giving substandard care.](#)

Who Benefited from the Harris Government’s Largesse?

The Harris government used the process of expansion, refurbishment, and redevelopment of LTC beds to shift millions in taxpayer funds to predominantly corporate-controlled LTC operators.

In 2003, not long after leaving office, Mike Harris became the Chair of Chartwell, earning \$223,000 in director’s fees in 2020, until his removal in 2021 by the Loretto Sisters.

They, through a two part motion by their IBVM Foundation of Canada Inc., asked unitholders [to reject Harris’ re-election as Chartwell Board Chair](#). The same motion demanded that the Board produce a report on how the company’s employees were being managed with respect to their health and safety. The sisters also argued that Harris could not be considered an independent director due to his close relationship with Chartwell’s senior management.

The revelation of Chartwell announcing bonuses for its executive managers, with each of its top four executives being paid in excess of \$1 million for 2020 - an increase from the previous year - as residents lay dying of COVID in their facilities, likely added to the sisters taking the action they did (Swan, 2021).

Back to the Future: The Ford Government Also Announces Billions for LTC Expansion

On March 18, 2021 the Ford government made one of its first announcements of [“\\$933 million in 80 new long-term care projects](#), which will lead to thousands of additional new and upgraded long-term care spaces across the province” (Ontario Government (2021).

This followed the announcement of a \$6.4 billion investment in 31,705 new and 28,648 upgraded beds in the “[planning, construction and opening stages of the development process](#)”.

In 2022, the Ford government also directed taxpayer funding to the LTC industry by increasing its construction funding subsidy to offset the industry’s costs of developing or redeveloping institutions. It touted this as its effort to fast track the building of 30,000 more institutional beds and 28,000 upgraded beds by 2028 (Ontario Government 2022).

Much of the government’s largesse went to [companies with very poor track records](#).

Billions in taxpayer funding was directed to the predominantly for-profit long-term care industry in Ontario over this period. In 2021 Ontario had a total of 627 long-term care homes of which 16% were publicly owned, 57% were privately owned by for-profit companies, and 27% were owned by private not for profit companies (Canadian Institute for Health Information, 2021).

No doubt developers also benefited from contracts to build these institutions, and in some cases the Ford government used MZO’s to attempt to force them on local communities that objected to companies like Southbridge building huge facilities in their towns. The City of Pickering voted unanimously against the expansion of Orchard Villa where over 75 residents died during the pandemic, and the military had to be called in, later documenting the horrendous conditions there. The Ford government [blasted that municipal council](#) for objecting to a major taxpayer funded expansion of that institution (Callan & Snowdon, 2023).

Seniors for Social Action Ontario has since tried to get information concerning the nature of the contract the Ontario government signed with this company, who signed it, and who assisted in the issuing of the MZO. All information has been withheld and the government is currently considered to be in a deemed refusal situation. This resulted in the Information and Privacy Commission issuing an Order for the government to make a final decision concerning release of this information with which, to date, the government has also not yet complied.

The Sad Truth

Bill 7, which forces alternate level of care patients (ALC) in hospitals into long term care institutions not of their choosing, and the transfer of their records to these facilities without their consent, may also be just another way the Ford government is directing taxpayer funding to LTC institutions at the cost of vulnerable people.

“As per section 240.3(6) or sections 240.5(1) and 240.5(2) of Ontario Regulation (O.Reg) 246/22, placement coordinators may authorize the admission of alternate level of care (ALC) patients or residents in a home facing a designated “imminent home closure” (pursuant to section 361.1 of O.Reg. 246/22) into preferred accommodation where only

basic accommodation has been requested, and, in such a case, the licensee must make the accommodation available as basic accommodation.

Where section 240.3(6) or sections 240.5(1) and 240.5(2) apply, the Ministry of Long-Term Care (Ministry) will reimburse licensees for the cost difference between the applicable maximum daily co-payment rate for preferred accommodation and basic accommodation for the period the resident occupies preferred accommodation if:

The placement in preferred accommodation is intended to be temporary while the resident awaits transfer to basic accommodation; and

Only basic accommodation has been requested by the ALC patient/resident or selected by the placement coordinator (i.e., no request for preferred accommodation has been made); and

Basic accommodation is unavailable at all homes requested by the ALC patient/resident (or selected by the placement coordinator) at the time of the placement coordinator authorizes their admission.” (Ministry of Long-Term Care, Spring 2023).

The Ministry of Long-Term Care refers to this as the preferred accommodation top up whereby facilities can get preferred accommodation funding for ALC patients who were to be dumped into basic ward accommodation – often forcibly under Bill 7.

What’s Going On?

The public cannot be faulted for asking what’s going on? Why are billions in taxpayer funds being directed to an industry that failed so badly during the pandemic?

Why did the government of Ontario not learn an important lesson and do [what Denmark did in 1988](#) – put the brakes on any more money to build long-term care institutions, and instead invest heavily in Home Care and Assisted Living programs to allow older adults to continue to live with a much higher degree of safety in their own homes and communities?

The similarities between what the Harris government did in directing taxpayer funds to the long-term care industry and what the Ford government is doing today are stunningly obvious, raising an important question – who is actually running the Ontario government?

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