

February 22, 2021

Oxford County Council

Dear Council Members,

As a member of the health care community in Oxford County, I have been watching with alarm at the impact that COVID-19 has had on long-term care homes across the province of Ontario. I am a local family doctor in Ingersoll, having medical privileges at two homes (Woodingford Lodge Ingersoll and Secord Trails Care Community), and I have been following the discussion regarding causes of the tragic toll taken in some facilities. One of the points raised frequently is a comparison between government-run and privately-run homes, with some studies pointing to inferior performance on a number of outcome measures by homes under private ownership (see the analysis by Liu et al. in the February 2021 issue of the *Canadian Medical Association Journal*).

Having worked in homes run both privately and regionally, I wonder about the factors that might contribute to the outcome discrepancies found in such studies. One part of the discussion that is rarely mentioned is the ability to generate revenue under different models of ownership and operation. In Ontario, the provincial government is the funder of long-term care; I understand that the formula is not a simple one, with different envelopes for different aspects of care, but the principle is that homes receive funding based on the number and complexity of their residents. Long-term care homes also are permitted to charge residents a per diem fee, but this is strictly regulated by the government. Consequently, there are very few opportunities for homes to generate additional revenue to fund operations.

Reviewing the most recent financial statements from Oxford County, which contain the 2020 forecast for the three Woodingford Lodge long-term care facilities in Woodstock, Tillsonburg, and Ingersoll, I note that provincial funding and other revenues for the homes total \$20.0 million, but expenses were expected to run to \$30.7 million, producing a deficit of \$10.7 million. (This is only slightly higher than 2019, when the deficit was \$10.0 million in a non-COVID year.) This deficit is covered as an expense to Oxford County; if the entire Woodingford organization operates 228 beds, then a simplistic analysis suggests that county government subsidizes each bed by over \$45,000 on an annual basis.

If the recent pandemic has taught us anything, it is that we need investment in the long-term care sector, and I applaud the county decision-makers for having the vision to prioritize these services. However, it does raise a thorny question: why should residents of Oxford County at a regional home receive a substantial subsidy for their care, while those at a privately-run facility do not? Currently, frail seniors can choose which homes are on their waiting list, but given a serious lack of available beds across the system, this does not amount to much of a choice in reality. With very long wait lists for the Woodingford homes, families and residents may be unable to wait long enough for a county-subsidized bed to become available. This creates a two-tiered system, with public money supporting a level of care for some institutionalized seniors that is not available to all.

Perhaps there is something here of which I am unaware; possibly there are financial mechanisms by which private companies operating long-term care facilities in Oxford County receive benefits that offset

the subsidies to the Woodingford homes. If so, I would appreciate knowing how this works. If not, I would like to know how this inequity is justified at the county level. As a family physician, I have heard repeatedly about the excellent care provided in all three Woodingford Lodges, and I do not want this to change. However, I want all of my patients to have the same access to public funding, regardless of where they spend their final years.

Sincerely,

Dr. Joel Wohlgemut

NB: In full transparency, I am the contracted Medical Director of Second Trails Care Community in Ingersoll, owned by Sienna Senior Living. The opinions expressed here are my own.