



Oxford County

New LTC Bed Application

Project Update

Date: January 25, 2023

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Oxford County – New LTC Bed Application Introduction



- Support pre-project analysis and evaluation of a new LTC home in Ingersoll prior to a potential application submission to the MLTC
 - Develop a project timeline and proposed project milestones
 - Develop a high-level capital cost estimate for the new LTC Home
- Support an application submission to the Ministry of LTC following direction by Council in January 2023 (if approved)

Oxford County – New LTC Bed Application Background Information

- The population of Oxford County is generally older than in the rest of the province. The percentage of residents over the age of 54 years (32.7%) is higher than in Ontario overall (30.4%)¹
- The population of Southwestern Ontario is projected to grow from 1.72 million in 2020 to 2.22 million in 2046, an increase of 29.2 per cent. Growth rates within Southwestern Ontario vary, with Oxford growing fastest (41.5 percent)²
- Between 55% and 80% projected growth in number of seniors over 2020-2046 in Oxford Census division²

Notes:

1: Smale, B., & Gao, J. (2018). A Profile of Wellbeing in Oxford County with Comparisons to Ontario and Canada. Waterloo, ON: Canadian Index of Wellbeing and University of Waterloo

2: www.ontario.ca/page/ontario-population-projections

Oxford County – New LTC Bed Application Background Information

LTC Bed Location	Current ¹		Announced ²		Total upon Completion of Works Announced
	Licensed Beds	C-Beds	New Beds	Redeveloped Beds	
Woodstock	323	95	26	138	349
Tillsonburg	137	61	160	-	297
Tavistock	143	143	28	100	171
Ingersoll	114	80	-	-	114
Total	717	379	214	238	931

- There are currently eight (8) long-term care homes in Oxford County, five (5) for-profit homes and three (3) municipal homes
- Over 50% of existing beds are classified as C-Beds (structural classification), and the licenses for these beds are set to expire in 2025
- All beds at Woodingford Lodge are classified as A-Beds

Notes:

1: Ontario Health Coalition <https://www.ontariohealthcoalition.ca/wp-content/uploads/LTC-Design-Classification-August-2019.pdf>

2: <https://erniehardemanmpp.com/2022/04/07/ontario-building-new-long-term-care-beds-in-woodstock/>

Oxford County – New LTC Bed Application Background Information

News release by the Ontario government on April 7, 2022¹

There are now 214 new and 238 upgraded long-term care beds in development, under construction or completed in Oxford, including the following projects:

- 28 new and 100 upgraded beds - Tavistock
 - 160 new beds - Tillsonburg
 - 26 new and 138 upgraded beds - Woodstock
-
- 214 net new LTC beds represents a ~30% capacity increase
 - Total number on the wait list for Oxford County LTC homes (March 2022 data) is 1,500²

Notes:

1: <https://erniehardemanmpp.com/2022/04/07/ontario-building-new-long-term-care-beds-in-woodstock/>

2: Based on data drawn on March 14th, 2022. Updates available monthly and can be viewed at www.healthcareathome.ca/southwest.

Oxford County – New LTC Bed Application Background Information

Accommodation Type	Oxford County	Woodingford Lodge	% Choosing Woodingford Lodge
Basic	955	644	67%
Semi-Private	509	392	77%
Private	591	591	74%
Total^{1,2}	1500	1048	70%

- High demand for Woodingford Lodge as evidenced by growing wait list
- Average growth in wait list over past 34 month for Woodingford Lodge has been ~48% (Ingersoll location ~ 63%)
- The wait for a private bed at Woodingford Lodge (for 9 out of 10 people) was 1,188 days in March 2022¹

Notes:

1: Based on data drawn on March 14th, 2022. Updates available monthly and can be viewed at www.healthcareathome.ca/southwest.

2: People can be on the waitlist for multiple accommodation types / homes.

Oxford County – New LTC Bed Application

Municipal LTC Home Considerations

- Municipal delivery of LTC services is set out in the Long-Term Care Homes Act, 2007, which specifies that every upper or single-tier southern municipality is required to maintain at least one municipal home¹
- Municipality's influence regarding the retention and addition of LTC beds in its community is largely limited to homes directly operated by the municipality



Notes:

1: Ontario's Municipalities: Proud Partners in Long Term Care (November 2018)

2: Map source: WDFL 2022-02

Oxford County – New LTC Bed Application

Municipal LTC Home Considerations

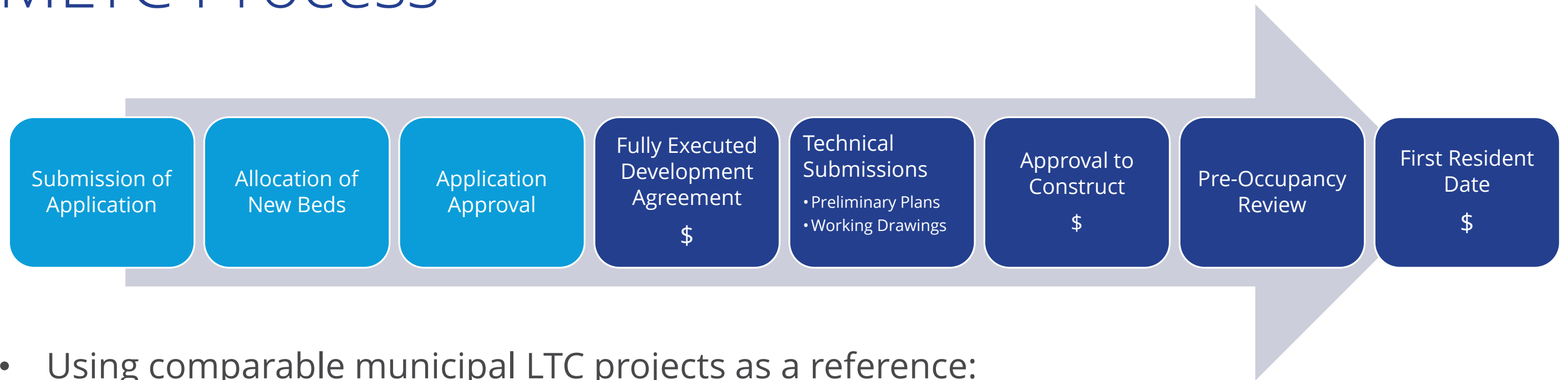
- Impractical to meaningfully compare municipal vs. other ownership models with available information
 - Would require access to detailed financial information and projections for different scenarios
 - Several variables to consider both **quantitative** and **qualitative**, including:
 - Resident care profiles, Case Mix Index (CMI)
 - Hours of care & staffing mix
 - Provision of unfunded services
 - Wage rates, including pay equity impacts & growth
 - Quality of care indicators
 - Satisfaction results (residents, families, staff)
 - Integration with existing community services¹
 - Contribution to local economies¹
- Considerations for Woodingford Lodge - Ingersoll²
 - In-house dietary and laundry services
 - Sub-optimal staff utilization, due to the layout and the size of the home
 - Shared resources and back-office functions such as HR and Finance & IT
 - Sustainability goals, space needs and requirements that exceed the LTC Design Manual (2015)

Notes:

1: Ontario's Municipalities: Proud Partners in Long Term Care (November 2018)

2: Woodingford Lodge Service Review – Report No: CAO 2014-05

Oxford County – New LTC Bed Application MLTC Process

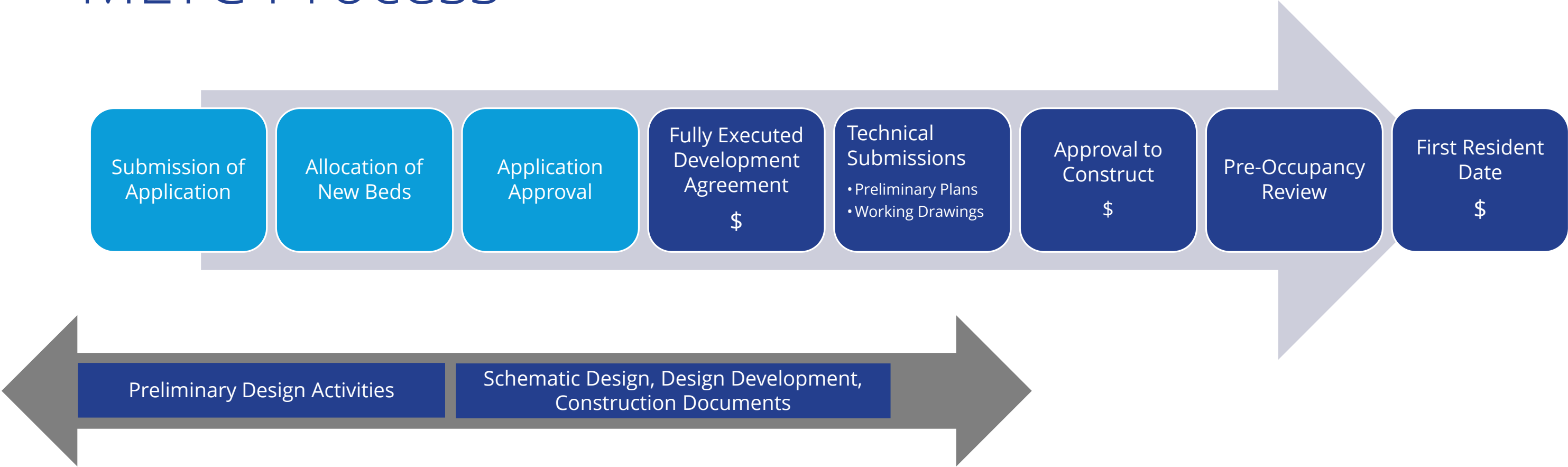


- Using comparable municipal LTC projects as a reference:
 - The expected duration from the **submission of an application** to the **receipt of bed allocation from the MLTC** could vary between 1.5 months and 8+ months
 - The expected duration from the **submission of an application** to the **application approval** from the MLTC could take 20+ months
 - Execution of a Development Agreement occurs within 90 days of the Ministry's Approval Letter

Notes:

1: The process above is simplified. It is not intended to represent a comprehensive list of activities and interdependencies associated with MLTC submissions and approvals of a LTC project

Oxford County – New LTC Bed Application MLTC Process



Notes:
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Oxford County – New LTC Bed Application

Project Timeline

Project Milestone	Date	Notes
Submit application to Ministry of Long-Term Care	Feb 2023	
Allocation of new beds from MLTC	Oct 2023	
Procure project consultants & complete background studies	Jan 2024	Soils, environmental, flood plain etc. based on review of background documents
Complete preliminary design activities	Apr 2024	High-level functional programming, site test-fit, Master Plan, assessment of site services, complete due diligence background studies, obtain Class D costing, prime consultant & project management procurement
Complete design and obtain MLTC Technical approvals	Jul 2025	Includes Schematic Design, Design Development, Construction Documents as well as Preliminary Plans and Working Drawings submissions to the MLTC
Finalize construction procurement	Oct 2025	Includes MLTC submission for Approval to Construct
Construction	May 2028	To Substantial Performance for a 160 bed LTC Home
Finalize Deficiencies, FF&E Delivery and Installation	Oct 2028	Includes MLTC Pre-Occupancy Inspection and Approval
First Resident Date	Fall 2028	

Note: Dates are indicative only; there are opportunities to significantly accelerate the schedule by running activities in parallel and based on Oxford County's risk tolerance.

Oxford County – New LTC Bed Application Estimated Capital Cost



- \$94.5M estimated capital cost¹
- Preliminary design and due diligence activities will be critical to gain a better understanding of project scope and costs

Notes:

1: Based on sustainability goals, space needs and requirements that exceed the LTC Design Manual (2015) for a 160-Bed LTC Home

Oxford County – New LTC Bed Application

MLTC Capital Development Funding Policy

- A **Construction Funding Subsidy** Per Diem (CFS Per Diem) flowed at First Resident Date and paid through monthly payments for a period of 25 consecutive years
- A **Development Grant** in addition to the CFS: a grant, per eligible bed up to a maximum of \$24,923 per bed:
 - One-time Planning Grant of \$250,000 flowed at execution of a Development Agreement. This amount will be deducted from the total development grant calculated for the operator.
 - The Development Grant will be flowed upon submission of a certificate of Substantial Performance

\$31,090,080	\$82,225,080 ¹
\$3,987,680	\$3,987,680
Total Development Funding (25 years) – 160 Beds \$35,077,760	Total Development Funding (25 years) – 160 Beds ¹ \$86,212,760

Notes:
 1: Assumes that a fixed, time-limited CFS top-up of up to \$35 per bed per day would be available to this project at the time with the same terms that are contained in the Long-Term Care Home Capital Development Funding Policy, 2022

Oxford County – New LTC Bed Application

Financial Considerations

	Existing 34 Beds (\$millions)	160 New Beds (\$millions)	2029 Total Cost (\$millions)
Revenues			
Operating and capital	\$3.9	\$18.2	\$22.1
Expenses			
Operating and capital	6.7	27.9	34.6
Debt – 160 new bed facility	-	6.3	6.3
Levy	\$2.8	\$16.0	\$18.8
Debt retirement obligations are amortized over 25 years to align with the 25 year construction per/bed/diem subsidy as part of the Long Term Care Home Development Program			

Notes:

1: Table source - Report No: WDFL 2023-01

Oxford County – New LTC Bed Application

Next Steps

- **Ministry Application for Additional Beds**
- Preliminary Design & Due Diligence Activities
 - Procurement of a Prime Consultant (Architect+ Engineers)
 - Site test-fit, preparation of Master Plan
 - Assessment of site services and prepare a conceptual level design brief
 - Class D Construction Cost Estimate by a Professional Quantity Surveyor
 - Procurement of technical studies for soils, environmental, flood plain, etc.
 - Consultations include Town of Ingersoll, Oxford County, Alexandra Hospital



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Questions?



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Thank you