

## Care Needs and Care Funding

*This report was prepared by Bev McKay for Citizen Watch, and forwarded to the Alberta Auditor General in June, 2007.*

Dear Mr. Dunn,

This submission has been prepared by *Citizen Watch, Continuing Care in Alberta* -- the group of citizens who submitted to you, in September 2003, a formal request for a value-for-money-audit of the province's long-term care facilities. We take this opportunity to thank you once again for examining the systems used to deliver services in these settings and seniors' lodges. Your *Report on Seniors Care and Programs*, released May 9<sup>th</sup> 2005, remains a constant reminder of the reforms that can and must be achieved for better care and a better quality of life for Alberta seniors.

Over the past 18 months, we have attempted to gather information on certain **care funding issues** identified in your report for the purposes of analyzing the data and sharing our findings with you.

The funding issue examined in the attachments relates to the audit finding: "**funding varies by up to \$10,000 per year per bed**" ... an incongruity your team could not explain due to a lack of information [page 36].

The data we collected applies to the 2005/2006 fiscal year and derives from Health & Wellness sources (See page 2, footnote). This information, while not always complete or consistent, allowed us to calculate the average 2005/2006 care funding per bed for 31 private facilities and 24 voluntary facilities within 7 health regions. It also enabled us to examine the range of care funding against the range of case mix indices (CMI) within a region and among regions. As well, we were able to assess for perceived incongruities between funding allocations and assigned CMI. Since funding information for individual "public" long-term care centres is not available in RHA financial statement, we could not include these settings in this work.

Our findings are recorded on the following pages for your review. We respectfully request that you offer us feedback and advise us whether your follow-up audit in September 2007 will pursue the reasons behind "**the large range in funding**" found in your audit and in this submission.

Sincerely yours,

Lucille Gleddie  
on behalf of Citizen Watch

**Care Centre Facility Funding and CMI ratings**  
**CHART 1 CALGARY HEALTH REGION (R3)**

Facility	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
<b>VOLUNTARY</b>				
Bethany Care Centre Airdrie	74	111.10	\$2,971,000	\$40,150
Bethany Calgary	442	108.50	\$20,984,000	\$47,500
Bethany Cochrane	78	101.05	\$3,036,000	\$39,000
Bethany Harvest Hills	60	100.07	\$3,003,000	\$50,000
Bow View Manor (Brenda Strafford Foundation)	185	112.59	\$8,314,000	\$45,000
Wing Kei Care Centre (Opened May 2005)	113	-----	\$2,714,000	\$24,000
Father Lacombe Nursing Home	110	105.10	\$4,674,000	\$42,500
Mineral Springs Hospital	24	90.10	\$7,558,000	\$314,900
Wentworth Court (Brenda Strafford Foundation)	73	96.53	\$4,164,000	\$57,000
<b>PRIVATE</b>				
AgeCare - Beverly Glenmore	197	118.59	\$8,377,000	\$42,500
AgeCare - Beverly Midnapore	178	98.06	\$7,663,000	\$43,000
Central Park Lodge - Bow Crest	150	101.73	\$5,754,000	\$38,350
Central Park Lodge – Eau Claire	-----	-----	\$1,843,000	-----
Central Park Lodge - Edgemont	-----	-----	\$1,534,000	-----
Central Park Lodge – McKenzie Town	142	94.81	\$7,401,000	\$52,120
Central Park Lodge - Mount Royal	93	86.09	\$3,047,000	\$32,700
Central Park Lodge - Renoir	-----	-----	\$2,045,000	-----
Central Park Lodge – Scenic Acres	-----	-----	\$1,581,000	-----
Extendicare Cedars Villa	248	94.02	\$8,909,000	\$35,900
Extendicare Hillcrest	112	100.37	\$4,147,000	\$37,000
Extendicare Vulcan	46	92.02	\$1,895,000	\$41,200
Forest Grove Care Centre	239	96.33	\$8,891,000	\$37,200
Glamorgan Care Centre- Travois Holdings	52	95.49	\$1,989,000	\$38,250
Holy Cross Chronic Care	42	94.15	\$1,736,000	\$41,300
Intercare Brentwood	159	99.11	\$6,265,000	\$39,400
Intercare Chinook	103	110.31	\$5,825,000	\$56,000
Intercare Millrise	-----	-----	\$1,959,000	-----
Intercare Southwood	147	99.18	\$6,490,000	\$44,150
Mayfair Care Centre -Travois Holdings	142	95.19	\$5,068,000	\$35,600
Newport Harbour - Summit Corp.	125	99.04	\$5,480,000	\$43,800
Other private providers	-----	-----	\$9,853,000	-----
<p><b>Observation:</b> Within the Calgary Health Region, six of the 9 voluntary facilities have a 100+ CMI. In contrast, only 4 of 16 private facilities have a 100+ CMI.</p>				

References

1. Funding Information: Alberta Health and Wellness Annual Report 2005/2006
2. Bed Numbers: Alberta Health and Wellness Correspondence, September 2005
3. Spring 2005 Case Mix Index Report by Facility: Alberta Health and Wellness Correspondence July 2006
4. Case Mix Index Information: Health and Wellness Correspondence, July 18, 2006

**CHART 2 CALGARY HEALTH REGION (R3)**

Facility	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
Mineral Springs Hospital	24	90.10	\$7,558,000	\$314,900
Bethany Calgary, Auxiliary Hospital	442	108.50	\$20,984,000	\$47,500
<b>PERCEIVED INCONGRUITY</b>				
▶ <b>FUNDING FOR MINERAL SPRINGS HOSPITAL IS \$267,000 MORE PER YEAR PER BED YET ITS CMI AND BED COUNT ARE SIGNIFICANTLY LOWER.</b>				

**CHART 3 CALGARY HEALTH REGION (R3)**

Facility	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
AgeCare - Beverly Glenmore	197	118.59	\$8,377,000	\$42,500
Wentworth Court (Brenda Strafford Foundation)	73	96.53	\$4,164,000	\$57,000
<b>PERCEIVED INCONGRUITY</b>				
▶ <b>FUNDING FOR BEVERLY GLENMORE IS LESS BY \$15,000 PER YEAR PER BED YET ITS CMI AND BED COUNT ARE SIGNIFICANTLY HIGHER.</b>				

**CHART 4 CALGARY HEALTH REGION (R3)**

Two groups of facilities with <u>similar</u> CMI	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
Central Park Lodge, McKenzie Town	142	94.81	\$7,401,000	\$52,120
Extendicare Cedars Villa	248	94.02	\$8,909,000	\$35,900
Wentworth Court (Brenda Strafford Foundation)	73	96.53	\$4,164,000	\$57,000
Forest Grove Care Centre	239	96.33	\$8,891,000	\$37,200
<b>PERCEIVED INCONGRUITIES</b>				
▶ <b>GROUP 1: MCKENZIE TOWN HAS SIGNIFICANTLY FEWER BEDS YET RECEIVES \$16,000 MORE PER YEAR PER BED.</b>				
▶ <b>GROUP 2: WENTWORTH COURT HAS SIGNIFICANTLY FEWER BEDS YET RECEIVES \$20,000 MORE PER YEAR PER BED.</b>				

**CHART 5 CHINOOK HEALTH REGION (R1)**

Facility	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
Extendicare Lethbridge (Private)	120	97.02	\$5,148,000	\$42,900
Coaldale Health Care Centre (Voluntary)	40	96.44	\$1,701,000	\$42,525
<b>PERCEIVED INCONGRUITY</b>				
▶ <b>FUNDING AND CMI FOR THE 2 FACILITIES ARE SIMILAR, YET EXTENDICARE LETHBRIDGE HAS 3 TIMES THE NUMBER OF BEDS.</b>				

**CHART 6 PALLISER HEALTH REGION (R2)**

Facility	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
<u>AgeCare</u> (Private) - Orchard Manor - Valleyview	15 30	97.79 103.69	Total: 1,942,000 \$700,944 \$1,242,056  (Breakdown provided by facility admin.)	\$46,720 \$41,400
<u>Central Park Lodges</u> (Private) - Riverview	128	107.81	\$4,971,000	\$38,800
<u>Good Samaritan</u> (Voluntary) - South Ridge Village	80	86.11	\$3,309,000	\$41,360
<b>PERCEIVED INCONGRUITY</b>				
▶ <b>RIVERVIEW RECEIVES UP TO \$8,000 LESS PER YEAR PER BED THAN THE 3 OTHER FACILITIES, YET IT HAS THE HIGHEST CMI AND THE GREATEST NUMBER OF BEDS.</b>				

**CHART 7 DAVID THOMPSON HEALTH REGION (R4)**

Facility	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
Bethany Collegeseide (Voluntary)	112	123.45	\$6,560,000	\$58,500
Bethany Sylvan Lake (Voluntary)	40	115.07	\$2,378,000	\$59,450
Castor Our Lady of the Rosary Hospital and Care Centre (Voluntary)	24	135.05	\$2,915,000	\$121,450
St. Mary's Health Care Centre (Voluntary)	28	102.17	\$1,593,000	\$56,890
Northcott Care Centre (Private)	73	94.00	\$2,863,000	\$39,200
Linden Nursing Home (Private)	37	88.97	\$1,309,000	\$35,370

**PERCEIVED INCONGRUITIES**

- ▶ **FUNDING FOR BETHANY COLLEGESIDE AND ST. MARY'S HEALTH CARE CENTRE IS SIMILAR, YET BETHANY HAS A SIGNIFICANTLY HIGHER CMI AND 4 TIMES THE NUMBER OF BEDS.**
- ▶ **FUNDING FOR THE 2 BETHANY FACILITIES IS SIMILAR, YET SYLVAN HAS A LOWER CMI AND APPROXIMATELY ONE-THIRD THE NUMBER OF BEDS.**
- ▶ **THE HIGH CMI FOR BETHANY COLLEGESIDE AND CASTOR OUR LADY INDICATES A HIGH LEVEL OF NEED AMONG THE RESIDENTS OF BOTH FACILITIES, YET THE FUNDING DIFFERS BY \$63,000 PER YEAR PER BED.**

**CHART 8 EAST CENTRAL HEALTH REGION (R5)**

Facility	# of long term care beds (March 2005)	CMI (Spring 2005)	2005/2006 Care Funding by Region	Average 2005/2006 funding per bed (rounded)
Lamont Health Centre (Voluntary)	105	89.85	\$8,910,000	\$84,857
Mary Immaculate Mundare Auxiliary Hospital (Voluntary)	30	86.10	\$1,726,000	\$57,533
Extencicare Viking (Private)	60	94.17	\$2,715,000	\$45,250

**PERCEIVED INCONGRUITIES**

- ▶ **MARY IMMACULATE HAS A LOWER CMI AND 50% FEWER BEDS THAN EXTENDICARE VIKING YET IT RECEIVES \$12,000 MORE PER YEAR PER BED.**
- ▶ **LAMONTE HEALTH CENTRE HAS 300 FEWER BEDS AND A SIGNIFICANTLY LOWER CMI THAN BETHANY CALGARY (R3) YET RECEIVES \$37,000 MORE PER YEAR PER BED.**

## **CHART 9 CAPITAL HEALTH REGION (R6)**

Financial statements for Capital Health, as for some other Authorities, show only “gross” funding allocations to voluntary and private service providers. As a result, care funding information for individual facilities operated by the voluntary and private sectors is unavailable in Health & Wellness Annual reports. This limited our review to 6 of the 14 voluntary facilities within the region and 4 of the 12 private facilities.

<b>Facility</b>	<b># of long term care beds (March 2005)</b>	<b>CMI (Spring 2005)</b>	<b>2005/2006 Care Funding by Region</b>	<b>Average 2005/2006 funding per bed (rounded)</b>
<b>VOLUNTARY</b>				
Allen Grey Continuing Care Centre	133	96.40	6,416,000	\$48,200
Salem Manor Nursing Home	102	93.15	3,683,000	\$36,100
Sherwood Park Care Centre	100	100.30	3,887,000	\$38,870
St. Joseph’s Auxiliary Hospital	204	113.11	10,290,000	\$50,400
St. Michael’s Long Term Care Centre	145	100.83	6,665,000	\$45,900
Youville Nursing Home	162	103.76	6,747,000	\$41,600
<b>PRIVATE</b>				
Chinatown Care Centre	75	101.52	3,363,000	\$44,800
Hardisty Nursing Home	182	87.29	6,192,000	\$34,000
Devonshire Care Centre	120	94.95	5,708,000	\$47,500
Venta Care Centre	132	90.59	5,092,000	\$38,500

### **PERCEIVED INCONGRUITIES**

- ▶ **FUNDING FOR SHERWOOD PARK AND ST. MICHAEL’S DIFFERS BY \$7,000 PER YEAR PER BED YET THEIR CMI AND BED NUMBERS ARE SIMILAR.**
- ▶ **ALLEN GREY, SALEM MANOR, DEVONSHIRE AND VENTA HAVE A MODERATE CMI AND BED NUMBER RANGE YET THE FUNDING VARIES BY UP TO \$12,000 PER YEAR PER BED.**
- ▶ **FUNDING FOR VENTA AND LAMONTE HEALTH CENTRE (R5) DIFFERS BY \$46,000 PER YEAR PER BED YET THEIR CMI AND BED NUMBERS ARE SIMILAR.**

**Observation:** Within the Capital Health Region, 7 of the 14 voluntary facilities have a 100+ CMI. In contrast, just 2 of the 12 private facilities have a 100+ CMI.

**CHART 10 ASPEN HEALTH REGION (R7)**

<b>Facility</b>	<b># of long term care beds (March 2005)</b>	<b>CMI (Spring 2005)</b>	<b>2005/2006 Care Funding by Region</b>	<b>Average 2005/2006 funding per bed (rounded)</b>
Extendicare Athabaska (Private)	50	93.60	\$1,954,000	\$39,000
Extendicare Bonnyville (Private)	50	81.55	\$1,770,000	\$35,400
Extendicare Mayerthorpe (Private)	50	93.12	\$1,959,000	\$39,100
Extendicare St. Paul (Private)	76	91.23	\$3,085,000	\$40,500
Bonnyville Health Care Centre (Voluntary)	32	106.77	\$12,622,000	\$394,400

**OBSERVATION**

**FUNDING FOR THE EXTENDICARE FACILITIES APPEARS CONSISTENT WITH CMI RANGES AND BED NUMBERS. BONNYVILLE HEALTH CARE CENTRE IS THE EXCEPTION.**

**FACILITIES IN PEACE COUNTRY (R8) AND NORTHERN LIGHTS (R9) HEALTH AUTHORITIES ARE PREDOMINANTLY PUBLIC.**

**June 2007  
Bev McKay for Citizen Watch**

*In August 2007, the Auditor General acknowledged the submission:*

Dear Ms Gleddie: (on behalf of Citizen Watch, Continuing Care in Alberta)

Thank you for the June 5, 2007 submission regarding the funding issue identified in our May 2005 Seniors Care and Programs Report. We will be pleased to consider the submission as we plan our seniors care follow-up audit work that is scheduled to begin this fall.

You asked whether we intend to examine the reasons behind the large range in funding. The purpose of our follow-up audit work is to assess whether the Departments have implemented our recommendations. Our work will include an assessment of whether the Department of Health and Wellness, working with the Department of Seniors and Community Supports, now collects sufficient information about facility cost from the Regional Health Authorities and long-term care facilities to make accommodation rate and funding decisions (see recommendation #4 on page 35 of our May 2005 Report).

If you have any questions or would like to provide any further information to us , please contact my Communications Coordinator, Lori Trudgeon at 780-422.6655 or [ltrudgeon@oag.ab.ca](mailto:ltrudgeon@oag.ab.ca)

Yours truly,  
Fred J. Dunn