

Guideline for Eligible Expenditures for Long-Term Care Homes

Ontario's Long-Term Care Homes

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Guideline for Eligible Expenditures for Long-Term Care Homes

I. Introduction

Overview of the Eligible Expenditures Guideline

As part of a commitment to promote the highest-quality resident care in the long-term care home (LTCH) sector, the Local Health Integration Networks (LHINs) allocate long-term care (LTC) home funds through a mechanism known as the Level-of-Care (LOC) envelope funding system.¹ The purpose of this document is to help providers, recipients, and auditors of LOC funds interpret the *Eligible Expenditures for Long-Term Care Homes* policy² by providing a step-by-step guide to identify and classify expenditures that are funded by the LHINs through this system.

This document consists of 5 sections:

- 1) Introduction
- 2) The Decision Making Framework: Expenditure Classifications Steps
- 3) Decision Making Process Walk-Through: Eligible Expenditures Framework Illustrative Examples
- 4) Example List of Eligible Expenditures
- 5) Appendices

These 5 elements combine to form the Eligible Expenditures Guideline within which a LTC home licensee can receive and use funds. This, in turn, may help inform a licensee's budget allocations and their reporting as conducted through the LTC home Annual Report submitted to the LHINs. Please note that this document only deals with expenditures made within the level of funding provided by the LHIN as outlined in the *LTCH Level-of-Care Per Diem Funding Policy* and the *LTCH Level-of-Care Per Diem Funding Summary* and must comply with any additional conditions, rules, and restrictions set therein. Both policies, along with the *Eligible Expenditures for Long-Term Care Homes* policy can all be found in Schedule F of the *Long-Term Care Homes Service Accountability Agreement (L-SAA)* and on the Ministry of Health and Long-Term Care's (MOHLTC or Ministry) public website.

Guiding Principles

The Eligible Expenditures Guideline was developed under a set of guiding 'best-practice' principles based on the Ministry's legislative direction. Through use of this framework, the Ministry and LHINs encourage the LTCH sector to demonstrate:

- a. Consistency with allocation patterns of the sector based on reasonable cost and fair market value;

¹ Note that this Guideline applies to all LOC envelope funding provided by LHINs and the Ministry

² See Schedule F of the *Long-Term Care Homes Service Accountability Agreement (L-SAA)*

- b. The promotion of continuously improving quality patient care;
- c. Fulfillment of performance compliance targets as set out in the *Long-Term Care Homes Act, 2007*, O.Reg. 79/10 and conditions of a license and other conditions of funding and the provision of goods and services as outlined in the resident plan of care;
- d. Recognition of the diverse and changing clinical requirements of residents;
- e. Proactive approaches to resident's safety and overall health and functionality;
- f. Value for money by using funding with due regard for economy, efficiency, and effectiveness in terms of the provision of care to residents; and
- g. Accountability and transparency in the use of government funds to improve resident care.

Elements of the LOC Envelope Funding System

For the LTCH sector, the LOC envelope funding system has been a consistent cornerstone in the funding approach since 1993. Its intention is to guarantee a minimum allocation of funds towards direct resident care and other baskets of essential goods and services. By reserving pools of funds for specific uses, the LHINs help reinforce LTC service benchmarks across the province.

Envelopes

To aid in the proper management of funds under LOC, costs are classified into separate baskets of goods and services known as envelopes. They are:

- Nursing and Personal Care (NPC);
- Program and Support Services (PSS);
- Raw Food (RF); and
- Other Accommodation (OA).

Each envelope is allocated a specific amount of funding. Due to its nursing/medical nature, the NPC envelope is funded on an acuity-adjusted per diem. This rate is based on an individual home's Case-Mix Index. The PSS, RF, and OA envelopes are funded based on a flat-rate (i.e., non-acuity adjusted) per diem. For more information on funding rates and acuity adjustments please refer to the *LTCH Level-of-Care Per Diem Funding Summary* and the *LTCH Level-of-Care Per Diem Funding Policy*, respectively, listed in schedule F of the L-SAA and published on the Ministry's public website.

Envelope definitions, eligibility criteria and additional information on NPC, PSS, RF, and OA can be found in section II of this document.

Cost Centres

Within the four envelopes, eligible expenditures are further classified into a number of cost centres. These cost centres allow similar expenses in an envelope to be categorized together for accounting purposes. Cost centres also play an important role in the reporting process and inform LTC home Annual Reports submitted to the LHINs by licensees. Detailed descriptions of cost centres, including envelope specific details, can be found in section II of this document. “

Reporting and Recovery

An essential component of the LOC funding approach is the reconciliation of expenses and the recovery of: (1) unspent funds, (2) OA expenses that were misclassified to another envelope, and (3) expenses in excess of what was allocated for a particular envelope. The Ministry reconciles and recovers expenses on behalf of the LHINs. After a calendar year has ended, LTC homes across Ontario receive documents outlining details on how to submit their expenses for a particular year. These expense reports and their instructions are known as the LTC home Annual Report and the LTC home *Annual Report Technical Instructions and Guidelines* and may differ from year to year. To support their financial reporting LTC home licensees may be required to provide the Ministry, LHINs and/or auditors with invoices, receipts and/or supporting documents to demonstrate their compliance with the conditions and criteria of LOC funding. This process, in conjunction with non-financial spot-audits and ongoing work by the Ministry’s Performance Improvement and Compliance inspectors, helps ensure funding is provided in a manner that enhances the delivery of services, achieves the outcomes set out in resident care plans, and furthers the goal of continuous service improvement.

Expenditures Not Funded By LOC Envelope Funding

LOC funding may or may not be the only source of funds leveraged by a licensee. The acquisition of goods or services through programs and funds outside of LOC may be allowed if doing so does not conflict with the *Long-Term Care Homes Act, 2007 (LTCHA, 2007* or the Act) and its accompanying regulations. The eligibility criteria outlined in this document encompasses only the expenditures on goods and services acquired using Level-of-Care funds.

Optional and Unfunded Services

Each LTC home offers a range of services to its residents, which can be categorized under two groups:

- (1) basic services; and
- (2) optional services.

Basic services are defined as services that are available to all residents that require them and they are collectively funded by Level-of-Care funding and the basic accommodation charges paid by residents. Basic services include expenditures on items that are eligible under the NPC, PSS, RF and OA envelopes. As per section 78 of the *LTCHA, 2007*, LTCH licensees are legally required to inform residents about what is paid for by funding under the Act or the *Local Health System Integration Act, 2006* or the payments that residents make for accommodation and for which residents do not have to pay additional charges.

Optional Services represent services not paid for through accommodation charges and that do not fall within the category of non-allowable charges as outlined in section 245 of O. Reg. 79/10 under the *LTCHA, 2007*. Licensees are permitted to charge for optional services under section 91(1)3 of the Act as long as there is an agreement in place between the resident and the licensee (compliant with the requirements in s.227 of O.Reg. 79/10 as of January 1, 2011.) The LHINs will not reimburse licensees for costs incurred in providing optional services.

Residents with certain high-intensity medical conditions may require different or a higher amount of resources than a resident generally demands under the ‘basic range’ offered by homes through LOC. In these circumstances, an expense may be eligible for separate funding programs such as: the High Intensity Needs Fund, the Assistive Devices Program, and other government programs developed to assist those with particular medical conditions. As previously mentioned, any expenditure that is paid in part or in full by a program outside LOC funding is not eligible for LOC funding.

- Chiropody/podiatry – professional foot care
- Specialists’ fees not covered by OHIP
- Patient escort services
- Customized identification bracelets other than those provided at the home without charge. (e.g., MedicAlert bracelets)
- Optometrist/audiologist
- Bar/pub charges
- Dry cleaning/mending
- Individually measured and prescribed assistive devices
- Personal clothing/ footwear purchases
- Private duty nursing
- Incontinence system other than facility’s system
- Non-program related recreational festivities and events (in-home and non-home)
- 3rd party or other uninsured services
- Customized security devices not part of established care plans
- Customized cushions
- Dental/denture services
- Hair care services
- Medication **not** covered by MOHLTC and/or pharmacy charges
- Personal wheelchair maintenance
- Tuck Shop purchases

The following are examples of services that are not funded by the LHINs. Residents who choose to receive these services may be billed as these costs are not included in the basic rate:

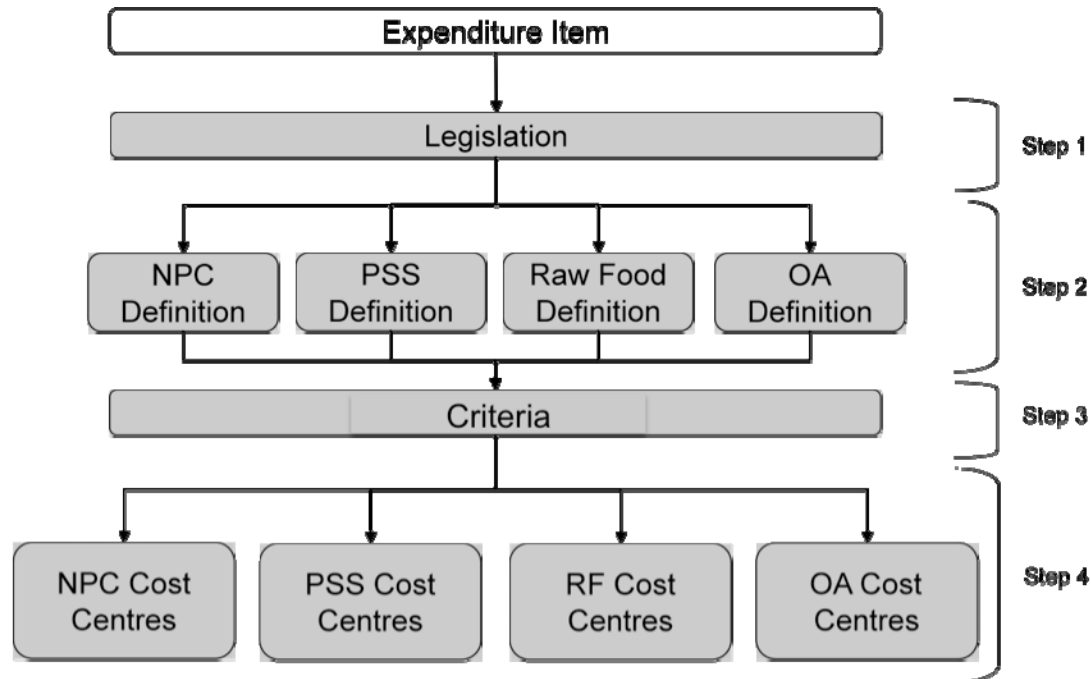
II. Expenditure Classification – Steps

This section will outline the steps a licensee should take in classifying and determining the Level-of-Care (LOC) eligibility of expenditures.

Framework Summary

- Step 1:** *Determine Expenditure in Accordance with the Long-Term Care Homes Act, 2007.* A licensee must ensure the expenditure is in accordance with the Act.
- Step 2:** *Classify into Appropriate Envelope.* Based on the definition of each envelope as outlined on pages 9-13 of this document, the licensee will select the envelope where the expenditure item is most appropriately classified. Licensees must then ensure that all the applicable elements of the definition are satisfied and that the item is not listed in the Optional/Unfunded Services list in section I. If an expenditure item satisfies more than one envelope definition, its value may be eligible to be prorated as outlined in Step 3 (See *criteria applicable to all envelopes*). If the expenditure does not satisfy the definitions of any envelope, it is not an eligible expense under LOC.
- Step 3:** *Test Expenditure against Relevant Envelope Criteria.* To be considered eligible in Step 3, all expenditures, regardless of the envelope selected in Step 2 (i.e. NPC, PSS, RF, or OA) must be in accordance with the criteria labeled (1) *Applicable to All Envelopes* as outlined below. If the NPC or PSS envelope was selected in Step 2, then the expenditure must also be in accordance with an additional set of criteria labeled (2) *Applicable to NPC or PSS Only*. If the expenditure does not meet all the requirements for its identified envelope, the licensee must select a new envelope in Step 2. If all envelopes have been considered and the expenditure does not meet the criteria in this step, the item is not an eligible expense under LOC.
- Step 4:** *Within Each Envelope, Classify into Appropriate Cost Centre.* The expenditures must now be allocated to a cost centre for reporting purposes. Cost centres and their definitions are found in the LTC home Annual Report and the LTC home *Annual Report Technical Instructions and Guidelines* released each year by the Ministry. If the expenditure does not have an appropriate cost centre under an envelope, the licensee must consider the other envelopes and move through the framework until an appropriate envelope and corresponding cost centre is found. If a cost centre is not found, the item is not an eligible expense under LOC.

Fig. 1 Eligible Expenditure Framework



Eligible Expenditures Framework

Step 1: Determine Alignment with Legislative Objectives & Residents' Rights

The first level of analysis under Step 1 is the consideration of the legislative objectives of the *LTCHA, 2007*. For an expense to be eligible it should contribute to the Fundamental Principle set out in Section 1 of the Act.

- The fundamental principle to be applied in the interpretation of this Act and anything required or permitted under this Act is that a long-term care home is primarily the home of its residents and is to be operated so that it is a place where they may live with dignity and in security, safety and comfort and have their physical, psychological, social, spiritual and cultural needs adequately met (2007, c. 8, s. 1.).

For an expense to be eligible it cannot be contrary to a requirement of the Act or be used for a purpose that is contrary to a requirement of the Act.

Step 2: Classifying Expenditure Item into Appropriate Envelope

If the expenditure in question meets the legislative requirements as defined in step 1, it must then be tested against the definitions of the four LOC funding envelopes: Nursing and Personal Care (NPC), Program and Support Services (PSS), Raw Food (RF), and Other Accommodation (OA). To be considered eligible, the expenditure should satisfy all elements of one or more of the envelopes. If it does not satisfy the definition of any of the envelopes, the expenditure is ineligible under LOC funding. A glossary of common terms can be found in Appendix B. The envelope definitions are as follows:

Nursing and Personal Care (NPC)

Eligible Expenditure Items under NPC

To be an NPC expenditure, expenditures must fall into one of the following elements:

1. Expenditures on salaries, wages, benefits and purchased services for active direct care staff³ (e.g., registered nurses, registered practical nurses, personal support workers, and other persons hired to provide personal support services) and for nursing and personal care administrators (e.g., director of nursing and personal care, nurse managers, unit clerks, MDS RAI Coordinator, and, shared clinical nursing consultants⁴) who assess, plan, provide, assist, evaluate, and document the direct care required to meet the residents' assessed nursing and personal care requirements if, and only if:
 - a) Staff provides nursing and personal care directly to the resident to meet the nursing and personal care requirements assessed in a care plan or plan of care.
 - b) Direct nursing and personal care includes the following activities: assistance with the activities of daily living including personal hygiene services, administration of medication, and nursing care.

2. Expenditures for Nursing and Personal Care training, including attendance costs, if, and only if:
 - a) The training or education enhances the NPC staff's ability to fulfill their primary job function.⁵
 - b) Attendance costs included are limited to reasonable charges for food, accommodation, and travel.

3. Expenditures on nursing and personal care equipment, supplies, and devices (excluding furnishings) used by NPC staff in the provision of direct nursing and personal care as outlined in residents' care plans or plans of care if, and only if:
 - a) NPC equipment, supplies, and devices purchased meet the residents' nursing and personal care requirements in accordance with section 44 of O. Reg. 79/10 under the *Long-Term Care Homes Act, 2007*.
 - b) Computers and computing devices (that is, hardware and software) exclusively used for the creation and maintenance of resident records and used by NPC staff in the assessment, planning, providing, assisting, evaluation, and/or documentation of the medical, nursing and personal care needs of residents are eligible. Only computer and computing devices that are solely used for clinical purposes (e.g., shared by direct care staff recognized under NPC and PSS) may be prorated between the NPC and PSS envelopes.
 - c) The cost of NPC equipment maintenance and repair (e.g., lift maintenance) performed by internal or external service providers is limited to hours of labour and parts necessary for the required repair and/or maintenance. Labour costs associated with the job should be allocated as a purchased service whether completed by an internal or external service provider.

³ "Active direct care staff" also includes staff on approved disability, maternity, or sick leaves

⁴ See definition in Appendix A

⁵ For NPC staff whose primary job function includes leadership of other staff, education and training related to management and leadership skills is eligible under NPC

Ineligible items in NPC

The following items are not eligible expenditures in the NPC Envelope:

- a) While certain repair hours can be prorated to NPC (see 3c above), the full-time employment costs (e.g., salaries, benefits, training, etc.) for equipment maintenance staff or IT staff cannot be charged to NPC or PSS.
- b) All administrative supplies and office equipment (e.g., paper, toner, fax, phones, printer, photocopier, etc.) represent a general cost of any business and thus are only eligible under OA.
- c) Expenditure for infrastructure (e.g., wiring) must be assigned to the Other Accommodation envelope as a Building and Property cost.
- d) Costs for services required to maintain or repair infrastructure are not eligible under NPC and must be assigned to the Other Accommodation envelope as a Building and Property cost.
- e) In all cases, computers and computing devices not solely dedicated to clinical use (e.g., shared with employees who are processing payroll, conducting human resources) must be allocated to Other Accommodation. Thus, the default treatment for computers and computing devices is always OA unless the home demonstrates that the computers and computing devices are used exclusively by staff for NPC and/or PSS functions. For this to be demonstrated, a home must provide a statement signed by both the home's Director of Nursing and Personal Care and administrator, to be submitted through the LTC home Annual Report.

Program and Support Services (PSS)

Eligible Expenditure Items under PSS

To be a PSS expenditure, expenditures must fall into one of the following elements:

1. Expenditures on the salaries and benefits and purchased services for staff (e.g., physiotherapists, speech-language therapists, occupational therapists, OT/PT aides, recreational staff, volunteer coordinators, social workers, resident program advisors, registered dietitian time [in accordance with section 2.2 of the *LTCH Level-of-Care Per Diem Funding Policy*], and others) that provide support services directly to residents or conduct programs for the residents if, and only if:
 - a) Support services and programs are required under the *Long-Term Care Homes Act, 2007*, are in the schedule of recreation and social activities, or are assessed in a care plan or plan of care to benefit the maintenance or improvement of the level of functioning of residents with regard to the activities of daily living and/or improve the quality of life of residents.
 - b) The time spent by PSS staff to assess, plan, provide, evaluate, and document the support services and programs being provided are included.
2. Expenditures on Program and Support Services training and education if and only if:
 - a) The training or education enhances the Program and Support Services staff's ability to fulfill their primary job function.⁶
 - b) Attendance costs included are limited to reasonable charges for food, accommodation, and travel costs.

⁶ For PSS staff whose primary job function includes leadership of other staff, education and training relating to management and leadership skills is eligible under PSS.

3. Expenditures on equipment, supplies, and devices used by staff that are irreplaceable to the provision of support services and planned and structured programs to meet the requirements of the *Long-Term Care Homes Act, 2007* or the assessed needs of residents as determined by medical and nursing staff if, and only if:
 - a) The PSS equipment, supplies, and devices purchased must meet the majority of residents' needs or must be assessed as necessary as part of a resident's care plan or plan of care.
 - b) Computers and computing devices (that is, hardware and software) exclusively used for the creation and maintenance of resident records and used by PSS staff in the assessment, planning, providing, assisting, evaluation, and/or documentation of the program and support services needs of residents are eligible. Only computer and computing devices that are solely used for clinical purposes (i.e., shared by direct care staff recognized under NPC and PSS) may be prorated between the NPC and PSS envelopes.
 - c) The cost of PSS equipment maintenance and repair (e.g., repair of a projector used solely for PSS activities) performed by internal or external service providers is limited to hours of labour and parts necessary for the required repair and/or maintenance. Labour costs associated with the job should be allocated as a purchased service whether completed by an internal or external service provider.

Ineligible items in PSS:

The following items are not Eligible Expenditures in the PSS Envelope:

- a) While certain repair hours can be prorated to PSS (see 3c above), the full-time employment costs (e.g., salaries, benefits, training, etc.) for equipment maintenance staff or IT staff cannot be charged to NPC or PSS.
- b) All administrative and office equipment and supplies (e.g., paper, toner, fax, phones, printer, photocopier) represent a general cost of any business and thus are only eligible under OA.
- c) Expenditure for infrastructure (e.g., wiring) must be assigned to the Other Accommodation envelope as a Building and Property Cost.
- d) Costs for services required to maintain or repair infrastructure are not eligible under PSS and must be assigned to the Other Accommodation envelope as a Building and Property Cost.
- e) In all cases, computers and computing devices not solely dedicated to clinical use (e.g. shared with employees who are processing payroll, conducting human resources) must be allocated to Other Accommodation. Thus, the default treatment for computers and computing devices is always OA unless the home demonstrates that the computers and computing devices are used exclusively by staff for NPC and PSS functions. For this to be demonstrated, a home must provide a statement signed by both the home's Director of Nursing and Personal Care and administrator, to be submitted through the LTC home Annual Report

Raw Food (RF)

Expenditures for the purchase of raw food including food materials used to sustain life including supplementary substances such as condiments and prepared therapeutic food supplements ordered by a physician, nurse practitioner, registered dietitian, and/or registered nurse, as appropriate, for a resident. This envelope includes food for special events including seasonal, cultural, religious and ethnic celebrations. Alcohol and food for non-residents are not included in this envelope.

Food used in resident programs: If the licensee can demonstrate that food used in a scheduled recreation or social activity that meets the interests of the residents does not replace all or part of a meal, resident food costs can be charged to PSS.

Point of clarity:

For the purposes of this document, a meal is defined as food ingested at a customary time as outlined by custom (breakfast, lunch, dinner) or as outlined by a home's dietary advisor for either an individual resident or a group of residents. Since beverages are necessary in supporting life and may be required at unscheduled intervals, they are always considered a part of a meal for reporting purposes (i.e. reportable solely under the raw food envelope.)

Thickeners used in the administration of medicine may be charged to the NPC envelope if they are purchased and kept separately from food used for nutrition.

Other Accommodation (OA)

Expenditures for salaries, employee benefits⁷, education, training, reasonable attendance costs, purchased services, and supplies, equipment and devices related to housekeeping services, buildings and property operations and maintenance, dietary services (nutrition/hydration services), laundry and linen, general and administrative services, and facility costs that will maintain or improve the care environment of the LTC home.

Step 3: Test Expenditure Against Relevant Envelope Criteria

For expenditures to be considered appropriate under a specific envelope, it must not only meet the definition of that envelope, but also acknowledge the envelope's role as part of a larger system. This is achieved through the use of criteria ensuring that the intention behind the envelope is preserved and that funding should accurately come from LOC funding.

There are two types of criteria: (1) those that apply to all envelopes and (2) those that apply exclusively to NPC and PSS. As such, they must be evaluated within in the context of the envelope selected in Step 2. If the expenditure does not meet the criteria of its prescribed envelope, a new envelope must be selected and the criteria reconsidered in the context of the new envelope. If the expenditure does not meet the criteria of any envelope, the expense is ineligible under LOC funding. The criteria are defined as follows:

Criteria applicable to all envelopes

1. Licensees must ensure that each expenditure item satisfies the following criteria regardless of which envelope it is assigned to:
 - a) The good or service is not already funded through another source (see Step 4 of this policy).
 - b) Conditional on its eligibility in each envelope, the amount of an expenditure on the purchase or lease of equipment must be prorated across NPC, PSS and/or OA based on usage⁸ by respective staff.

⁷ WSIB rebates may be deposited to the OA envelope to create an incentive for licensees to improve their workplace safety performance.

⁸ Usage is determined by one of three factors; time spent on a service, space used for the service or materials used for a service.

- c) The expenditure complies with the LTCH Level of Care Per Diem Funding Policy.

Criteria applicable to NPC and PSS only

- 2. In addition to the criteria applicable to all envelopes, each of the following criteria must be satisfied for NPC and PSS expenditures on furniture, equipment, and/or related costs:
 - a) The use of funds for an equipment purchase must consider the complementary relationship with direct care staffing, aim to maintain or improve the productivity and effectiveness of direct care staff, and ensure that the ongoing provision of direct care and programming to residents is not compromised.
 - b) The licensee can clearly demonstrate that the expenditure item will maintain, enhance or improve the provision of services, goods and programs to the resident(s).
 - c) The expenditure must comply with the *LTCH Furnishing and Equipment Management Policy*.

Step 4: Within Each Envelope, Classify Expenditure Item into Appropriate Cost Centre

Eligible Expenditure cost centres group like-expenditures within an LOC funding envelope and are used by licensees to report their expenditures to the LHINs. As a final confirmation of envelope eligibility, an expenditure must meet the criteria of one of the cost centres of the envelope identified in step 2. Cost centres for each LOC envelope are listed in detail in the LTC home Annual Report and the *LTC home Annual Report Technical Instructions and Guidelines* provided each year by the Ministry. If the expenditure does not have an appropriate cost centre under an envelope, the licensee must consider the other envelopes and move through the framework until an appropriate envelope and corresponding cost centre is found. If a cost centre is not found, the item is ineligible under LOC. The following are examples of some cost centres which are used for determining eligibility (supporting definitions are found in Appendix B):

Point of clarity:

When completing the LTC home Annual Report, please refer to the LTC home *Annual Report Technical Instructions and Guidelines*. Additional cost centres may be included in the LTCH Annual Report to track particular MOHLTC funding priorities (such as incontinence care). For the purposes of eligibility, you may use the cost centres outlined below.

NPC Cost Centres

NPC Cost Centres can be divided into two categories:

1) NPC Direct Resident Care Cost Centres

These cost centres include expenditures on nursing and personal care staff involved in direct resident care. Whether an employee is directly engaged in resident care is established based on the duties performed and not on the job title. "Direct Resident Care" refers to "hands-on" work with residents.

2) NPC Administration Cost Centres

The administration of direct resident care services include those activities which support or supplement the diagnostic, evaluative, therapeutic, supportive and/or educational activities (direct resident care service) of a specific resident. Expenditures for administration of the nursing and personal care function include salaries and benefits for those who are exclusively dedicated to supporting the nursing department.

Cost centres found in both NPC Direct Resident Care and NPC Administration include:

- Salaries and Wages
- Employee Benefits
- Purchased Services

Expenses classified as NPC Administration include:

- Supplies
- Equipment (new, replacements, leasing, maintenance)
- NPC Education and Training
- Attendance Costs
- Other⁹

PSS Cost Centres

- Salaries and Wages
- Employee Benefits
- Purchased Services
- Supplies
- Equipment (new, replacements, leasing and maintenance)
- PSS Education & Training
- Attendance Costs
- Other¹⁰

Raw Food Cost Centre

1. Raw Food¹¹

OA Cost Centres

- Housekeeping Services Expenses
 - Dietary Services Expenses
 - Laundry and Linen Service Expenses
 - General and Administrative Expenses
 - Building and Property – Operations and Maintenance Expenses
 - Facilities Expenses
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⁹ Please see definition in Appendix B

¹⁰ As per definition in Appendix B

¹¹ As per Raw Food envelope definition in section II of this document

If a particular expenditure fits into one of the cost centres defined in the LTC home Annual Report and LTC home *Annual Report Technical Instructions and Guidelines*, meets all the requirements of the three previous eligibility steps (Legislation, Envelope Definitions, and Eligible Expenditure Criteria), and is not on the list of Optional/Unfunded Expenditures, it is considered eligible for LOC funding by the Local Health Integration Networks.

III. Eligible Expenditures Framework Illustrative Examples

To help illustrate the application of the Eligible Expenditures framework to LTCH expenditures, this guide contains step-by-step illustrative examples of allocations made to the NPC, PSS, and OA envelopes. Please note that these examples demonstrate general hypothetical situations and do not address unique acuity, budgeting, or service-mix issues which may affect expense eligibility in a home. When in doubt, please contact your LHIN or the Ministry for clarification.

Point of clarity:

As technological and procedural innovations continue to develop the sector, it may become necessary to clarify the appropriate allocation of expenditures that may seem unclear given the present envelope definitions or that may have been confusing in the past. To address this issue, the Ministry has developed a document entitled *List of "Gray Areas": LTCH Expenses Requiring Envelope Classification Clarifications* (see Appendix C) that provides step-by-step illustrative clarifications for these “gray area” items.

Nursing and Personal Care (NPC) Envelope – Decision Making Process

For a greater understanding of how allocations to the NPC envelope are made, please refer to the illustrative example below.

Expenditure in Question:

The cost of dressings and treatment supplies for wound management.

Step 1: Determine Alignment with Legislation and Residents’ Bill of Rights

<u>Section of Legislation or Act</u>	<u>Does it satisfy the criteria?</u>	
	Yes/No	Rationale
<i>Long –Term Care Homes Act, 2007</i>	Yes	Dressings and wound management supplies are a component of the medical care provided to a resident in a long-term care home. Providing this care addresses the physical needs of a resident and allows them to live safely and with dignity. This is also consistent with the requirements in the Act and its regulations for a skin and wound care program.

Residents' Bill of Rights	Yes	Purchasing dressings and the ability to care for wounds does not infringe in any way on the rights of a resident as outlined in the <i>Long-Term Care Homes Act, 2007</i> (See Appendix A).
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Step 2: Classify Expenditure into Appropriate Envelope

<u>Envelopes</u>		<u>Does it satisfy the envelope definition?</u>	
Name	Section	Yes/No	Rationale
NPC	1.	No.	The expenditure does not relate to the described compensation for NPC staff. It does, however, seem to satisfy the definition of direct nursing and personal care in 1c. Keep reading.
	2.	No.	Dressings and wound treatment supplies used on residents in a care context do not represent an NPC staff education expense.
	3.	Yes.	Dressings and wound treatment supplies used in the medical treatment of residents can be tested against the NPC envelope for eligibility because they satisfy the definition of a medical supply or piece of equipment used by direct care staff in the provision of nursing and personal care.
	Ineligible Items	No	The expense does not deal with maintenance or IT staff, administrative supplies nor equipment, infrastructure nor infrastructure repairs, computing nor computing devices.
PSS	1.	No	The expenditure does not relate to the described compensation for PSS staff.
	2.	No.	Tending to wounds is not a task related to program or support services education.
	3.	No.	Dressings and wound management supplies are not used in the provision of resident programs or support services.
	Ineligible Items	No.	The expenditure is not categorized as PSS and therefore does not need to be tested against the ineligible items list in PSS.
Raw Food	1.	No.	Dressings and wound treatment supplies are non-edible items.
OA	1.	No.	Dressing and wound treatment supplies deal with direct patient care.

Step 3: Test Expenditure Against Relevant Envelope Criteria

<u>NPC Envelope Criteria</u>	<u>Does it satisfy the envelope criteria?</u>	
	Yes/No	Rationale
Criteria Applicable to All Envelopes	Yes.	<p>With the exclusion of exceptional circumstances covered by the High-Intensity Needs Fund (HINF), the cost of dressings is not funded through other sources. Furthermore, as a medical supply, dressings are not eligible for proration.</p> <p>The expenditure complies with the <i>LTCH Level of Care Per Diem Funding Policy</i>.</p>
NPC and PSS Specific Criteria	Yes.	<p>Wound care complements direct care staffing by allowing staff to efficiently perform their job. Barring exceptional circumstances, the ongoing provision of direct care is not compromised by this use of funds.</p> <p>The home licensee can clearly demonstrate that the item will enhance the provision of services.</p> <p>The expenditure is not affected by the <i>LTCH Furnishing and Equipment Management Policy</i>.</p>

Step 4: Within Each Envelope, Classify Expenditure Item into Appropriate Cost Centre.

<u>NPC Envelope Cost Centre</u>	<u>Does it satisfy the envelope cost centre definition?</u>	
	Yes/No	Rationale
Salaries and Wages	No	Doesn't deal with compensation of employees as outlined in the definition of NPC.
Employee Benefits	No	Doesn't deal with compensation of employees as outlined in the definition of NPC.
Purchased Services	No	The expenditure is an item, not a service.
Supplies	Yes	These items are consumable items that do not survive multiple fiscal periods.
Equipment (New, Replacements, Equipment,	No	Dressings are not equipment because there is no cost benefit to perform maintenance on dressings and wound treatment supplies. Furthermore, they cannot be repaired.

Maintenance)		
Education and Training	No	Dressings are used for resident care and are not related to staff education or training.
Attendance Costs	No	Dressings are used for resident care and are not related to staff education or training.

Program and Support Services (PSS) Envelope – Decision Making Process

For a greater understanding of how allocations to the PSS envelope are made, please refer to the illustrative example below.

Monthly maintenance of an aquarium used as a therapy tool in a prescribed care plan for a group of residents.

Step 1: Determine Alignment with Legislative Objectives and Residents' Bill of Rights

<u>Section of Legislation or Act</u>	<u>Does it satisfy the legislation?</u>	
	Yes/No	Rationale
<i>Long –Term Care Homes Act, 2007</i>	Yes	By physically enabling the provision of a program that has been assessed as beneficial to the resident, the item helps achieve a place of residency that fulfills residents' "physical, psychological, social, spiritual and cultural needs." It also meets all the other obligations outlined in the Act.
<i>Residents' Bill of Rights</i>	Yes	Providing therapeutic services through the use of an aquarium does not infringe in any way on the rights of a resident as outlined in the Act (See Appendix A).

Step 2: Classify Expenditure into Appropriate Envelope

<u>Envelopes</u>		<u>Does it satisfy the envelope definition?</u>	
Name	Section	Yes/No	Rationale
NPC	1.	No.	The expenditure does not relate to the described compensation for NPC staff.

	2.	No.	An aquarium provides no benefit in the education of NPC staff.
	3.	No.	An aquarium cannot be used in the provision of direct medical, nursing, and personal care.
	Ineligible Items	No.	The expenditure is not categorized as NPC and therefore does not need to be tested against the ineligible items list in NPC.
PSS	1.	No	The expenditure does not relate to the described compensation for PSS staff. However, it does relate to condition 1a regarding programs that have been assessed to benefit the maintenance or improvement of the functioning of residents. Keep reading.
	2.	No.	The expenditure does not relate to the education of PSS staff.
	3.	Yes.	Because the aquarium is used on a regular basis as part of an established care plan or plan of care developed by professionals for LTC residents in the home, this expenditure can be tested against the PSS envelope for eligibility. Note: If the aquarium-related therapy were to be discontinued or no longer require the use of the aquarium, the expenses incurred from that point forth would be an OA expense.
	Ineligible Items	No.	The expense does not deal with FTE maintenance staff or IT staff, administrative supplies nor equipment, infrastructure nor infrastructure repairs, computing nor computing devices.
Raw Food	1.	No.	Aquariums are not edible items.
OA	1.	No.	Aquariums maintained for therapeutic resident programs are physically used in direct patient care and therefore not an OA expense.

Step 3: Test Expenditure Against Relevant Envelope Criteria

<u>PSS Envelope Criteria</u>	<u>Does it satisfy the envelope criteria?</u>	
	Yes/No	Rationale
Criteria Applicable to All Envelopes	Yes.	The cost of an aquarium is not funded through other sources. Furthermore, therapy aquariums are not eligible under other funding envelopes and as such are not eligible for proration.

		The expenditure complies with the <i>LTCH Level of Care Per Diem Funding Policy</i> .
NPC and PSS Specific Criteria	Yes.	<p>Therapy aquariums complement direct care staffing by allowing staff to efficiently perform their job if this type of therapy was included in the care plan or plan of care. The ongoing provision of care should not be compromised to run this program.</p> <p>If the program mix is correct, the home licensee should be able to clearly demonstrate that the item will enhance the provision of services.</p> <p>In this situation, the expenditure complies with the <i>LTCH Furnishing and Equipment Management Policy</i>.</p>

Step 4: Within Each Envelope, Classify Expenditure Item into Appropriate Cost Centre.

<u>PSS Envelope Cost Centre</u>	<u>Does it satisfy the envelope cost centre definition?</u>	
	Yes/No	Rationale
Salaries and Wages	No	Doesn't deal with compensation of employees as outlined in the definition of PSS.
Employee Benefits	No	Doesn't deal with compensation of employees as outlined in the definition of PSS.
Purchased Services	No	The expenditure is an item, not a service.
Supplies	No	The aquarium is not a consumable item as it has a theoretical resale value.
Equipment (New, Replacements, Equipment, Maintenance)	Yes	<p>An aquarium regularly used in the provision of therapeutic services is an instrumental need for the undertaking of a particular program and has a theoretical resale value. Given the definition of equipment, the aquarium and, as a result, its maintenance is eligible in this cost centre.</p> <p>Note: If the aquarium-related therapy were to be discontinued or no longer require the use of an aquarium, the maintenance would become an OA expense.</p>
Education and Training	No	Aquariums are not required for the purposes of staff education and training.

Attendance Costs	No	Aquariums do not represent a cost related to attendance in an educational program or training program.
Dietitian Time	No	Aquariums are not related to a dietitian's billable time.

Other Accommodation (OA) Envelope – Decision Making Process

For a greater understanding of how allocations to the OA envelope are made, please refer to the illustrative example below.

Recruitment Costs for a Nurse

Step 1: Determine Alignment with Legislative Objectives and Residents' Bill of Rights

<u>Section of Legislation or Act</u>	<u>Does it satisfy the legislation?</u>	
	Yes/No	Rationale
<i>Long –Term Care Homes Act, 2007</i>	Yes	By facilitating nursing at a long-term care home, nursing recruitment costs helps residents have their physical, medical, and nursing needs met.
<i>Residents' Bill of Rights</i>	Yes	Having additional direct care staff would promote the licensee's obligation to ensure that resident's rights are fully protected and promoted and gives residents more support in realizing their rights.

Step 2: Classifying Expenditure into Appropriate Envelope

<u>Envelopes</u>		<u>Does it satisfy the envelope definition?</u>	
Name	Section	Yes/No	Rationale
NPC	1.	No.	While this issue does deal with direct care staff, it does not deal with compensation as it is outlined in the NPC definition.
	2.	No.	Recruitment costs are not related to staff education or training. Furthermore, education and training only take place after an employee is hired.
	3.	No.	Recruitment costs are not related to medical and nursing supplies and equipment.

	Ineligible Items	No	The expenditure is not categorized as NPC and therefore does not need to be tested against the ineligible items list in NPC.
PSS	1.	No	Recruitment costs for a nurse are not a form of compensation as outlined in the PSS definition nor is it a cost related to PSS staff.
	2.	No.	Recruitment costs are not related to staff education or training. Furthermore, education and training only take place after an employee is hired.
	3.	No.	Recruitment costs are not related to supplies nor equipment used in structured programs to meet the medical and nursing assessed needs of residents.
	Ineligible Items	No.	The expenditure is not categorized as PSS and therefore does not need to be tested against the ineligible items list in PSS.
Raw Food	1.	No.	Recruitment costs are non-edible.
OA	1.	Yes.	Human resource services are: (1) not services provided directly to residents and (2) a necessary cost of running a business with employees regardless of what department. As a general and administrative service, it is an OA expense.

Step 3: Test Expenditure Against Relevant Envelope Criteria

<u>OA Envelope Criteria</u>	<u>Does it satisfy the envelope criteria?</u>	
	Yes/No	Rationale
Criteria Applicable to All Envelopes	Yes.	The cost of recruiting nurses is not funded through other government programs. As recruitment costs are solely a general and administrative expense, they are not eligible for proration. The expenditure complies with the <i>LTCH Level of Care Per Diem Funding Policy</i> .
NPC and PSS Specific Criteria	N/A	N/A

Step 4: Within Each Envelope, Classify Expenditure Item into Appropriate Cost Centre.

<u>OA Envelope Cost Centre</u>	<u>Does it satisfy the cost centre criteria?</u>	
	Yes/No	Rationale
Housekeeping	No	Recruitment costs have nothing to do with the tidiness or cleanliness of a home.
Dietary Services	No	Recruitment costs do not involve the handling of food.
Laundry and Linen Services	No	Recruitment costs do not involve laundry or linen.
General and Administrative	Yes	While the position that the licensee is recruiting for is sector-specific (in this scenario, a nurse), the act of recruiting is done in all businesses with employees. As such, it is a general/administrative activity.
Building and Property – Operations and Maintenance	No	Human resource activities do not deal with the physical operations and maintenance of a property.
Facility Expenses	No	Human resource activities do not deal with the physical property of a long-term care home.

IV. Examples - List of Eligible Expenditures

All expenses reported to the LHINs under the LOC program must: (1) comply with the Eligible Expenditures Framework, (2) comply with the policies in schedule F of the *Long-Term Care Homes Service Accountability Agreement* and (3) be reported in a manner that complies with the LTC home Annual Report and the LTC home *Annual Report Technical Instructions and Guidelines* for the period under consideration in order to qualify for funding. As a supplement to further aid in the identification of eligible LOC expenditures, please find a list of example expenditures, below. Please note that the following list of examples are not intended to represent an exhaustive list, but rather are examples used to provide guidance and set decision-making standards in regards to cost allocations. These examples also do not address unique acuity, budgeting, or service-mix issues which may affect expense eligibility in a home.

Point of clarity:

The sub-categories used to group expenses under each envelope below are intended to reflect details such as clinical usage and may not necessarily reflect the proper cost centre or line item for reporting purposes. When reporting expenditures through the LTC home Annual Report, please use the cost centres and line items identified in the LTC home *Annual Report Technical Instruction and Guidelines* as released by the Ministry for the period under consideration.

Nursing and Personal Care (NPC)

Salaries and Wages for NPC Direct Care and Administration Staff

Salaries and Wages for NPC direct care and direct care administration staff (as defined in *NPC Direct Resident Care Staff* and *NPC Administration Staff*, on page 28) may be funded out of the NPC envelope. Elements funded under salaries and wages include:

- (a) base pay – the fixed pay an employee receives for carrying out standard duties
- (b) overtime
- (c) standard short term paid absences (e.g., statutory holidays, vacation pay and paid sick leave)
- (d) severance payments
- (e) reasonable anticipated wage accruals and wage settlement accruals
- (f) pay equity costs that are due and payable within the reporting period

Note: NPC staff employed through third-party and non-arm's length agencies must be considered a purchased service under NPC and contracts/payments are subject to any requirement therein.

Employee Benefits for NPC Direct Care and Administration Staff

(a) Non-wage and non-salary based compensation received by NPC Direct Care Staff and NPC Administration Staff employed directly by a licensee. This may include:

- | | | |
|---|---|--|
| (1) accidental death and dismemberment benefits | (10) health coverage | (21) provincial payroll taxes (WSIB & EHT) |
| (2) bereavement leave | (11) vacation entitlements | (22) responsibility pay |
| (3) call-back pay | (12) in-lieu of benefits | (23) severance |
| (4) dental | (13) jury duty | (24) shift premium |
| (5) doctor's Notes | (14) life insurance | (25) short-term disability |
| (6) employment insurance /disability leave | (15) long-term disability | (26) sick days |
| (7) federal payroll taxes (CPP & EI) | (16) maternity/paternity leave (and top-up) | (27) stand-by pay |
| (8) float holidays | (17) overtime premium | (28) uniform allowance |
| (9) group RRSPs | (18) paid holidays (ESA) | (29) vision coverage |
| | (19) paid holidays (negotiated) | (30) weekend premiums |
| | (20) pension plan of NHRIPP | (31) weekly indemnity |

Note: Any costs related to staff employed by non-arm's length or third-party placement agencies are excluded from employee benefits as they are considered a purchased service and must be reported as such.

(b) Employee benefit entitlements negotiated as part of a collective agreement or structured compensation plan (employer handbook), which are consistent with the *Employment Standards Act (ESA), 2000* and provide reasonable compensation based on industry standards are eligible as part of the benefits for NPC staff except for the following:

- (1) transportation allowance
- (2) education related benefits, including education allowances, education fund, and education leave¹²
- (3) reimbursement of membership fees and professional dues, including nursing annual association dues

Note: If an operator chooses to offer any of the exempted benefits listed above, the expense(s) must be charged to the "General and Administrative – Other" cost centre of the Other Accommodation envelope.

¹² While education benefits cannot be funded, education related to an NPC employee's primary job function may be eligible for NPC funds. Please see page 34 of this guide for examples of costs eligible in the NPC Education and Training cost centre.

NPC Direct Resident Care Staff

Direct Resident Care is defined as hands-on care provided to residents of LTC homes and includes, but is not limited to: feeding, bathing, toileting, dressing, lifting, moving residents, medical/therapeutic treatments, and medication administration. These tasks and other direct care responsibilities may be performed by staff with job titles such as:

- (a) Registered Nurses
- (b) Registered Practical Nurses
- (c) Nursing Aides
- (d) Health Care Aides
- (e) Certified Nursing Assistants
- (f) Nursing Attendants
- (g) Personal Support Workers

Note: Physicians' direct care services are covered by other funding programs such as Physician On-call Funding and the Ontario Health Insurance Program and are therefore not eligible under Level-of-Care funding. Indirect physician care through positions such as Director of Nursing/Care may be funded as outlined below.

The costs of any additional nurses, practical nurses or aides requested by individual residents but not required by the Long-Term Care Homes Service Accountability Agreement are inadmissible.

NPC Administration Staff

NPC Administration Staff can be described as employees whose jobs concern themselves with the management and administration of direct nursing services and includes responsibilities such as: establishing the costs of nursing care, examining the relationships between nursing services and quality patient care, and viewing problems of nursing service delivery within the broader context of policy analysis and/or delivery of health services. Job titles that may fit this description include:

- (a) Medical Director (fee in accordance with current ministry directives)
- (b) Director of Nursing / Care
- (c) Nurse Manager / Unit Manager
- (d) Nursing/Clinical Consultants (as defined in Appendix B)

(e) Unit Clerks – only those whose duties or activities are directly associated with tasks and responsibilities exclusive to supporting the nursing department. Such duties must be clearly delineated and accounted for before expensed to the NPC envelope

(f) RAI-MDS Coordinators

Note: General administrative support duties such as typing, photocopying, completing or processing of accounts payable, accounts receivable, and payroll etc., are inadmissible in NPC.

Purchased Services

(a) Costs incurred for employing workers who are not directly on a licensee’s NPC payroll to perform eligible NPC duties at a facility. This may include:

- (1) third party service providers (including non-arm’s length agencies) that are hired to perform NPC duties
- (2) hourly rates for NPC services performed by PSS or OA staff (i.e. hourly rate for repair of NPC equipment performed by OA staff)

Note: OA staff should not be performing duties clearly outlined as NPC staff’s responsibility.

NPC Supplies

Supplies eligible under the NPC envelope include, but are not limited to, the following:

(a) Aerosol application support supplies:

- | | | |
|-----------|------------|-----------|
| (1) masks | (2) tubing | (3) pumps |
|-----------|------------|-----------|

(b) Contenance containment (allowable amount as per current Ministry directives):

- | | | |
|--|------------------------|--|
| (1) disposable diapers | (4) liners for pants | (8) continence care catheters |
| (2) disposable incontinence pads | (5) incontinence pants | (9) feminine hygiene products (for residents only) |
| (3) pull-up incontinence undergarments | (6) plastic pants | |
| | (7) urine bag holders | |

Note: Reusable incontinence supplies fall under the Laundry and Linens section of the OA envelope

(c) Contenance care:

- | | | |
|------------------------------|-----------------------|---|
| (1) catheters | (3) drainage bag-legs | (4) disposable condoms from condom drainage sets* |
| (2) drainage bags and tubing | | |

(5) indwelling catheters

(6) continuous bladder
irrigation systems

* Please note that the drainage portion is considered an NPC Equipment expense

(d) Dressings and treatments:

(1) bandages

(6) tapes

(11) sterile dressing trays

(2) band-aids

(7) adhesives

(12) gloves

(3) gauze

(8) sterile dressing

(13) dressing scissors

(4) sterile wound pads

(9) occlusive dressings

(14) irrigation & wound
cleaning supplies

(5) sponges

(10) steri-strips

(e) Elimination and toileting:

(1) rectal tubes

(3) colostomy, ileostomy
and other ostomy
devices & supplies

(2) enema supplies

(f) Enteral feeding:

(1) gauge tubes

(3) tubes, catheters and
accessories

(2) feeding bags and
containers

(4) naso-gastric tubes

(g) Infection control supplies for direct care staff when providing patient care:

(1) gloves

(4) protective eye wear

(6) isolation bags for
biomedical waste only

(2) paper gowns

(5) waterless hand sanitizer
for resident rooms

(3) masks

(h) Intra-venous or intra-muscular medication supplies:

(1) syringes

(4) cotton balls

(7) saline locks

(2) needles

(5) ampule file

(8) tubing

(3) alcohol swabs

(6) IV pumps

(i) Oral medication supplies:

(1) spoons for dispensing
oral medication

(2) drinking cups for
dispensing oral
medication

(3) medicine cups

(4) pill crushers

(j) Other supplies:

- | | | |
|--|---|------------------|
| (1) total parenteral nutrition (TPN) supplies | (2) tongue depressors | (3) thermometers |
| (4) disposable container for sharps | (5) elastic type bandages (e.g. tensor) | (6) safety pins |
| (7) diagnostic agents and kits for blood & urine collection and testing (collection devices, agents, & supplies) | | |

(k) Personal hygiene and grooming for residents:

- | | | |
|----------------------|-----------------------------------|-----------------------------------|
| (1) toothbrushes | (2) toothpaste | (3) denture cups |
| (4) denture sealants | (5) denture cleaning tablets | (6) mouthwash |
| (7) deodorant | (8) shaving cream | (9) tissues (e.g. Kleenex) |
| (10) cotton swabs | (11) shampoo/conditioner | (12) nail scissors |
| (13) manicure sticks | (14) nail files/emery boards | (15) pumice stones for feet/heels |
| (16) safety razors | (17) soap dishes | (18) tweezers |
| (19) nail clippers | (20) personal care soap/body wash | |

(l) Respiratory:

- (1) suction catheters and related supplies

(m) Topical medication:

- (1) applicators (2) gloves

(n) Topical skin care:

- | | | |
|---------------------------------|---------------------|---|
| (1) rubbing alcohol | (2) lubricant jelly | (3) vaseline or petroleum ointment/lotion |
| (4) disinfectants (e.g. dettol) | (5) talcum powder | (6) baking soda |
| (7) cornstarch | (8) ear syringes | (9) ear irrigation supplies |

Note: Administrative supplies of any type including paper, pens, toner, and stationary are always charged to the Other Accommodation envelope, even if they are deemed necessary to support nursing and personal care. They are included in the OA -Section F “General and Administrative

section” of the LTC home Annual Report. Supplies and equipment for LTC homes’ physical plant operation and maintenance should also be allocated in the OA funding envelope.

NPC Equipment¹³

Equipment eligible under the NPC envelope include, but are not limited to, the following:

- (a) Computer equipment – Computer hardware and software for the sole and exclusive purpose of supporting NPC resident care service; for example: development of care plans, electronic patient files, medication administration records and related records and documents;

Note: If computer hardware and software will be also used for non-clinical purposes, the entire cost of the computer and associated maintenance and repairs must be allocated to the Other Accommodation envelope.

- (b) Elimination and toileting:

- (1) commode chairs
- (2) elevated toilet seats
- (3) bedpans
- (4) hygiene chairs (for assisted showering, hair washing & toileting)
- (5) bladder diagnostic equipment such as scanners / internal monitors

- (c) Nursing and medical equipment:

- (1) spO2 monitors
- (2) height / weight measurement devices
- (3) ophthalmoscope
- (4) otoscope & related items
- (5) dopplers
- (6) blood pressure cuffs and sphygmomanometers
- (7) vaginal speculums
- (8) lift scales
- (9) enteral feeding pumps
- (10) total parenteral nutrition (TPN) pumps
- (11) weight chair scales
- (12) pain pumps for administering medications such as morphine (for palliative care)

¹³ Please note that all NPC and PSS equipment expenditures are subject to the *LTCH Furnishing and Equipment Management Policy* found in Schedule F of the Long-Term Care Homes Service Accountability Agreement.

- (13) stethoscopes
- (14) medicine carts

- (15) handheld digital cameras for NPC purposes only
(e.g., medication dispensing, documenting wound care)

(d) Personal hygiene and grooming:

- (1) hair dryers for resident care units only
- (2) electric razors
- (3) portable washbasins
- (4) shower chairs
- (5) shower trolleys

(e) Respiratory:

- (1) ambu-bags
- (2) respirators

(f) Specialty skin protection / pressure relieving equipment:

- (1) sheepskins and other prescribed specialty skin protection mattress covers
- (2) elbow / heel protectors
- (3) slings

Note: Both standard and specialty beds (including high-low) and mattresses (including waterproof) are considered indoor furniture and are funded under OA.

(g) Protective restraints and positioning devices:

- (1) geriatric chairs with tables
- (2) mobility restricting devices

Note: Restraints and positioning devices may only be used as outlined in the regulations under the *Long-Term Care Homes Act, 2007*. By default, geriatric chairs are furniture and to be reported under OA. Only when they are solely used as a medically prescribed positioning device may they be expensed to NPC.

(h) Resident transfer and mobility:

- (1) lifts, lift motors, lift tracks, and associated maintenance and repairs (minus structural reinforcement or any changes to infrastructure which represents an OA expense.)
- (2) batteries for lifts
- (3) slider sheets
- (4) slings

(i) Personal wander control devices:

- (1) watchmate wanderguard
- (2) wrist strap watchlets
- (3) wander control tags
- (4) bed/bed rail alarms

- (5) wheelchair alarms

Note: Anything that meets the definition of infrastructure as defined in Appendix B (such as structured wiring required to support this system) cannot be charged to the NPC envelope as it is an OA expense.

Education and Training

- (a) workbooks, manuals, and notebooks relating to training and education that enhances an NPC staff member's ability to fulfill their primary job function
- (b) reference materials, periodicals, academic journals that support NPC activities
- (c) cost of employing educators, teachers, and trainers for NPC-eligible training and education
- (d) attendance costs for approved NPC education including reasonable per-kilometer travel reimbursements, bus or train tickets, car rentals (when appropriate), hotel stays, and meal expenses

Program and Support Services (PSS)

Salaries and Wages for Program and Support Services Staff

Salaries and Wages for PSS staff may be funded out of the PSS envelope. Elements funded under salaries and wages include:

- (a) base pay – the fixed pay an employee receives for carrying out standard duties
- (b) overtime
- (c) standard short term paid absences (e.g., statutory holidays, vacation pay and paid sick leave)
- (d) severance payments
- (e) reasonable anticipated wage accruals and wage settlement accruals
- (f) pay equity costs that are due and payable within the reporting period

Note: PSS salaries and wages cannot be used to fund recruitment costs, costs of staff employed by third party placement agencies, non-arm's length agencies or costs related to an individual or company outside of the LTC home. PSS staff employed through third-party and non-arm's length agencies must be considered a purchased service under PSS and contracts/payments are subject to any requirement therein.

Employee Benefits for PSS Staff

(a) Non-wage and non-salary based compensation received by PSS staff employed directly by a licensee. This may include:

- | | | |
|---|---|----------------------------|
| (1) accidental death and dismemberment benefits | (12) in-lieu of benefits | (23) responsibility pay |
| (2) bereavement leave | (13) jury duty | (24) severance |
| (3) call-back pay | (14) life insurance | (25) shift premium |
| (4) dental | (15) long-term disability | (26) short-term disability |
| (5) doctor's notes | (16) negotiated lump-sum payments | (27) sick days |
| (6) employment insurance /disability leave | (17) maternity/paternity leave (and top-up) | (28) stand-by pay |
| (7) federal payroll taxes (CPP & EI) | (18) overtime premium | (29) uniform allowance |
| (8) float holidays | (19) paid holidays (ESA) | (30) vision coverage |
| (9) group RRSPs | (20) paid holidays (negotiated) | (31) weekend premiums |
| (10) health coverage | (21) pension plan of NHRIPP | (32) weekly indemnity |
| (11) vacation entitlements | (22) provincial payroll taxes (WSIB & EHT) | |

Note: Any costs related to staff employed by non-arm's length or third-party placement agencies are excluded as they are considered a purchased service and must be reported as such. Compensation or honorariums for volunteers may not be charged to the PSS envelope.

(b) Employee benefit entitlements negotiated as part of a collective agreement or structured compensation plan (employer handbook), which are consistent with the *Employment Standards Act (ESA), 2000* and provide reasonable compensation based on industry standards are eligible as part of the benefits for PSS staff except for the following:

- (1) transportation allowance
- (2) education related benefits, including education allowances, education fund, and education leave¹⁴
- (3) reimbursement of membership fees and professional dues, including nursing annual association dues

Note: If an operator chooses to offer any of the exempted benefits listed above, the expense(s) must be charged to the "General and Administrative – Other" cost centre of OA

¹⁴ While education benefits cannot be funded, education related to a PSS employee's primary job function may be eligible for PSS funds. Please see page 38 of this guide for examples of costs eligible in the PSS Education and Training cost centre.

PSS Staff

(a) PSS staff may:

- (1) deal directly with residents to provide them support, therapies and restorative care to maintain or improve a resident's quality of life
- (2) coordinate and support PSS direct care services.
- (3) both

Positions applicable under PSS can include activities such as:

- (a) adjuvant therapy and/or restorative care
- (b) planning, organizing, and providing recreational activities for residents
- (c) coordination of volunteer programs
- (d) pharmacists
- (e) physical therapists, occupational therapists, speech therapists, massage therapists, chiropractors & social workers
- (f) staff development coordinators who coordinate education and training on NPC and PSS topics
- (g) staff who provide pastoral and religious services
- (h) dietitian time in accordance with the Ministry's current directives

PSS Purchased Services

(a) Costs incurred for employing workers who are not directly on a licensee's PSS payroll to perform eligible PSS duties at a facility. This may include:

- (1) third party service providers (including non-arms length agencies) that are hired to perform NPC duties
- (2) hourly rates for NPC services performed by PSS or OA staff (i.e. hourly rate for repair of PSS equipment performed by OA staff)

Note: OA staff should not be performing duties clearly outlined as PSS staff's responsibility.

PSS Supplies

Supplies eligible under the PSS envelope include, but are not limited to, the following:

(a) Assistive feeding:

- | | |
|----------------------|-----------------------------|
| (1) specialty straws | (2) plate guards |
| (3) built-up plates | (4) built-up cutlery |
| (5) divided dishes | (6) bibs for feeding |
| (7) specialty cups | (8) other modified utensils |

(b) Raw food for residents (excluding beverages) that is irreplaceable in the delivery of a program and does not replace all or part of a scheduled meal:

- | | |
|--|--|
| (1) raw materials for therapeutic resident cooking/baking programs | (2) birthday cake served between meals |
|--|--|

(c) Services and programs:

- (1) library services for residents
- (2) newspaper and magazine subscriptions for resident use only
- (3) foot care programs provided by an internal staff team member

(d) Outings for the exclusive purpose of improving resident functionality and quality of life

Note: For group outings a rental or taxiing service can be charged to PSS if it can be demonstrated that the rental is part of a structured program (i.e. offsite trip). If a company owns a van, its use can be charged to PSS as an interdepartmental recovery equal to the per km rate defined by Canada Revenue Agency. Any trip whose intention is to transport the resident to offsite medical services is not eligible under PSS.

(e) Therapy supplies:

- | | |
|--|--|
| (1) arts and craft supplies | (4) cooking supplies for activation programs, e.g. tin foil, flour, saran wrap |
| (2) games and related supplies such as bingo cards | (5) spiritual and religious care programs supplies |
| (3) supplies for speech therapy | |

PSS Equipment¹⁵

Equipment eligible under the PSS envelope include, but are not limited to, the following:

(f) Therapy equipment:

- | | | |
|--|--|---|
| (1) occupational therapy and physiotherapy equipment | (2) speech therapy equipment | (3) paraffin baths |
| (4) bread-maker for sensory therapy | (5) rehab tables | (6) hot water bottles |
| (7) exercise equipment for exclusive residents use | (8) musical therapy equipment and instruments such as pianos and keyboards | (9) birdhouse/cage for dedicated therapeutic program purposes |

(g) Electronics:

- (1) VCRs & DVD players, radios, stereos for general resident use only or for use in resident recreation programs
- (2) computer hardware and software for the sole and exclusive purpose of supporting PSS activities
- (3) televisions for exclusive resident use or for use in recreation programs – not jointly used for education or other reasons by staff

Note: If computer hardware and software will be also used for non-clinical purposes, the entire cost of the computer and associated maintenance and repairs must be allocated to OA.

All other electronics charged to the PSS envelope must be for exclusive resident use or be a part of a resident recreation program.

PSS Education and Training

(e) workbooks, manuals, and notebooks relating to training and education that enhances a PSS staff member's ability to fulfill their primary job function

(f) reference materials, periodicals, academic journals that support PSS activities

¹⁵ Please note that all NPC and PSS equipment expenditures are subject to the *LTCH Furnishing and Equipment Management Policy* found in Schedule F of the Long-Term Care Homes Service Accountability Agreement.

- (g) cost of employing educators, teachers, and trainers for PSS-eligible training and education
- (h) attendance costs for approved PSS education including reasonable per-kilometer travel reimbursements, bus or train tickets, car rentals (when appropriate), hotel stays and meal expenses

Other Accommodation (OA)

Salaries and Wages for Other Accommodation Staff

Salaries and Wages for OA staff (i.e., housekeeping staff, laundry and linen services staff, dietary services staff, building and property operations and maintenance staff, and general and administrative staff) may be funded out of the OA envelope. Elements funded under salaries and wages include:

- (a) base pay – the fixed pay an employee receives for carrying out standard duties
- (b) overtime
- (c) standard short term paid absences (e.g., statutory holidays, vacation pay and paid sick leave)
- (d) severance payments
- (e) reasonable anticipated wage accruals and wage settlement accruals
- (f) pay equity costs that are due and payable within the reporting period

Note: OA salaries and wages cannot be used to fund recruitment costs, costs of staff employed by third party placement agencies, non-arm’s length agencies or costs related to an individual or company outside of the LTC home. Third-party and non-arms length agencies OA staff are considered an OA purchased service.

Employee Benefits for OA Staff

(a) Non-wage and non-salary based compensation received by OA staff employed directly by a licensee. This may include:

- | | | |
|---|--------------------------------------|---|
| (1) accidental death and dismemberment benefits | (7) federal payroll taxes (CPP & EI) | (13) jury duty |
| (2) bereavement leave | (8) float holidays | (14) life insurance |
| (3) call-back pay | (9) group RRSPs | (15) long-term disability |
| (4) dental | (10) health coverage | (16) negotiated lump-sum payments |
| (5) doctor’s notes | (11) vacation entitlements | (17) maternity/paternity leave (and top-up) |
| (6) employment insurance /disability leave | (12) in-lieu of benefits | (18) overtime premium |

- | | | |
|---|----------------------------|-----------------------|
| (19) paid holidays (ESA) | (24) severance | (30) vision coverage |
| (20) paid holidays (negotiated) | (25) shift premium | (31) weekend premiums |
| (21) pension plan of NHRIPP | (26) short-term disability | (32) weekly indemnity |
| (22) provincial payroll taxes
(WSIB & EHT) | (27) sick days | |
| (23) responsibility pay | (28) stand-by pay | |
| | (29) uniform allowance | |

Note: Any costs related to staff employed by non-arm's length or third-party placement agencies are excluded as they are considered a purchased service.

(b) Employee benefit entitlements negotiated as part of a collective agreement or structured compensation plan (employer handbook), which are consistent with the *Employment Standards Act (ESA), 2000* and provide reasonable compensation based on industry standards are eligible as part of the benefits for OA staff except for the following:

- (1) transportation allowance
- (2) education related benefits, including education allowances, education fund, and education leave
- (3) reimbursement of membership fees and professional dues, including nursing annual association dues

Note: If an operator chooses to offer any of the exempted benefits listed above, the expense(s) must be charged to the "General and Administrative – Other" cost centre of OA.

Purchased Services for OA Staff

(a) Costs incurred for employing workers who are on a payroll funded by a source other than the OA envelope to perform eligible Other Accommodation duties at a facility (i.e., housekeeping staff services, laundry and linen staff services, general and administrative staff services, dietary staff services, and building and property – operations and maintenance staff services.). This may include:

- (1) third party service providers that are hired to perform OA duties
- (2) hourly rates for OA services performed by NPC or PSS staff

Housekeeping Services

Housekeeping Staff

(a) Housekeeping staff are defined as:

- (1) staff involved in the general cleaning and waste-disposal tasks that must be done in order for the facility to operate and function safely and efficiently
- (2) staff involved in the management of general cleaning and waste-disposal

Duties/purchased services may include:

- (3) cost of any general cleaning services (inside or outside the building) regardless of area or location
- (4) cleaning costs of carpet, chairs, drapes and cushions
- (5) patio furniture cleaning
- (6) renovation-related cleaning

Housekeeping Supplies

Supplies eligible under the OA envelope include, but are not limited to, the following:

- (a) garbage, waste, sanitary, and other disposal and removal services
- (b) general cleaning and sanitation agents, material, products and supplies such as bleach, soap, grime eater
- (c) paper towels, toilet paper (including for resident rooms), large and small plastic bags
- (d) air fresheners, air purifiers, deodorizers, and sanitizers
- (e) brooms, dust pans
- (f) toilet brushes, plungers, sewer snakes, toilet seats, tiles and vents
- (g) brushes, including cleaning brushes and scrub brushes
- (h) mops and pails
- (i) vacuum bags

Housekeeping Equipment

Equipment eligible under the OA envelope include, but are not limited to, the following:

- (a) garbage containers, boots and gloves to take out garbage, garbage bags and receptacles
- (b) housekeeping carts
- (c) wheelchair washer
- (d) bedpan washer
- (e) vacuum cleaners
- (f) floor buffers
- (g) flusher-disinfectors

Housekeeping Education and Training

- (a) workbooks, manuals, and notebooks relating to training and education that enhances a housekeeping staff member's ability to fulfill their primary job function
- (b) reference materials that support housekeeping activities
- (c) cost of employing educators, teachers, and trainers for housekeeping-related training and education
- (d) attendance costs for approved housekeeping education including reasonable per-kilometer travel reimbursements, bus or train tickets, car rentals (when appropriate), hotel stays and meal expenses

Dietary Services

Dietary Staff

- (a) Dietary Staff are defined as:
 - (1) dietitians (when charges not applicable to PSS - see the *LTCH Level-of-Care Per Diem Funding Policy*)
 - (2) food-related staff, such as chefs, cooks and food service supervisors, who are exclusively involved in or manage the preparation, serving and clean-up of food

Duties/purchased services may include:

- (3) food purchasing services (fees associated with purchasing or procurement of food from food supplier or food purchasing organizations)
- (4) food preparation service
- (5) food serving services for residents

Dietary Services Supplies

Supplies eligible under the OA envelope include, but are not limited to, the following:

- (a) tin foil
- (b) plastic shrink wrap
- (c) muffin tin liners
- (d) paper napkins
- (e) disposable place settings

Dietary Equipment

Equipment eligible under the OA envelope include, but are not limited to, the following:

- (a) purchase of china dishes, chafing dishes, serving dishes and utensils, pots, griddles, and dinnerware for residents' daily meals
- (b) purchase of cooking spoons, serving utensils, plates, cutlery, glasses, cups and saucers, knives, vegetable peelers, pots and pans for daily residents' meals
- (c) purchase of cutting boards and food trays
- (d) purchase of food delivery cart, steam carts, steam tables, and food warming unit
- (e) ice maker
- (f) commercial dietary equipment, such as range ovens, oven stoves, bread makers, refrigerators, dishwashers, blenders, microwaves, and toasters
- (g) puree machine and attachments, and mixing bowl
- (h) BBQ and BBQ supplies such as BBQ covers, and propane
- (i) Repair, service and maintenance of dietary equipment

Dietary Services Education and Training

- (a) workbooks, manuals, and notebooks relating to training and education that enhances a dietary services staff member's ability to fulfill their primary job function
- (b) reference materials, periodicals and academic journals that support a dietician and dietary service activities
- (c) cost of employing educators, teachers, and trainers for dietary services-related training and education
- (d) attendance costs for approved dietician and dietary services education including reasonable per-kilometer travel reimbursements, bus or train tickets, car rentals (when appropriate), hotel stays and meal expenses

Laundry and Linen Service

Laundry and Linen Service Staff

- (a) Laundry and Linen Staff are defined as:
 - (1) staff such as laundry workers, laundry supervisors and laundry managers who are directly involved in or manage the procurement of linens and the washing and drying of facility linens and residents' clothes.

Duties/purchased services may include:

- (2) procurement of laundry supplies and linens
- (3) coordinating laundry workers schedules
- (4) laundry pick up from residents rooms
- (5) washing clothes in residential/industrial washers and dryers

Laundry and Linen Supplies

Supplies eligible under the OA envelope include, but are not limited to, the following:

- (a) purchase of bath towels, hand towels, and facecloths
- (b) pillows, pillow cases and pillow plastic protectors
- (c) mattress covers and mattress plastic protectors
- (d) blankets
- (e) incontinence care costs above the per diem amount provided in the NPC envelopes
- (f) Purchase and laundering of reusable continence care products and supplies, including reusable incontinence pads, undergarments, and liners
- (g) laundry supplies (bleach, laundry detergent, fabric softener, and disinfectants)
- (h) linen such as bed spreads, table clothes/covers, or cloth napkins for any occasion

Note: Continence care products that meet residents' needs for comfort and dignity are to be provided to residents without charge.

Laundry and Linen Equipment

Equipment eligible under the OA envelope include, but are not limited to, the following:

- (a) clothing carts and bins
- (b) folding and sorting tables
- (c) industrial and domestic washers and dryers
- (d) sewing machines
- (e) laundry hampers and bags
- (f) repair, service and maintenance of laundry equipment

Laundry and Linen Education and Training

- (a) workbooks, manuals, and notebooks relating to training and education that enhances a laundry and linen staff member's ability to fulfill their primary job function
- (b) reference materials that support laundry and linen service staff in their daily activities
- (c) cost of employing educators, teachers, and trainers for laundry and linen services-related training and education
- (d) attendance costs for approved laundry and linen services education including reasonable per-kilometer travel reimbursements, bus or train tickets, car rentals (when appropriate), hotel stays and meal expenses

General and Administrative

General and Administrative Staff

(a) General and Administrative Staff are defined as:

- (1) salaries and benefits of any clerks, controllers, administrators, corporate and/or corporate/head office management staff and of those not covered under PSS & NPC
- (2) salaries, expenses and fees for LTC homes' auditor, accountant or any other company/agent contract or employed by the home, providing financial consulting and services (i.e. payroll, accounts payable / receivable)
- (3) medical director fees not covered under NPC envelope
- (4) costs of any additional nurses, nursing assistants, or aides requested by residents, if the service is not considered necessary by the LTC home's physician
- (5) staff time for preparing annual reports or financial reports
- (6) staff involved in general and administrative training and education such as WHMIS training, anti-discrimination and harassment policy training, diversity training, etc.
- (7) human resource and recruiting professionals as well as those involved in labour negotiations

Duties/purchased services may include:

- (6) pay and benefits administration
- (7) general administration
- (8) accounting
- (9) WSIB administration and claims coordination
- (10) general and administrative supply procurement
- (11) financial reporting
- (12) reception
- (13) graphic design
- (14) marketing
- (15) inventory assessment
- (16) general communications/IT support
- (17) typing and faxing
- (18) bad debt collection

General and Administrative Professional Fees/Services

Note: Actual Cost Centres may vary

- (a) consulting fees for design and décor consultants
- (b) pay equity advice, consultations or services
- (c) consulting fees for labour and union negotiations, general labour relations advice, collective bargaining agreements and arbitration fees for professional services
- (d) consulting fees related to WSIB claims management
- (e) consulting fees for bookkeepers, accountants, accounts payable / receivable representatives, and general IT support personnel
- (f) fees incurred for professional advice or services including legal consulting fees
- (g) fees for preparing and filing income tax or GST/HST returns
- (h) fees for auditing services
- (i) Individual Voluntary Arrangement (IVA) services to enable debtor to reach a compromise with creditors
- (j) marketing, advertisements, and promotion of LTC homes services such as promotional products and materials, brochures, newspaper ads, ads on television, radio or in periodicals or other media, newsletters and sandwich boards
- (k) expenses related to labour relations grievances, WSIB and human rights settlements.

Management Fees

- (a) General management services provided by head office or a centralized shared administration team (non-arms length) that supply general services such as corporate policy direction (excluding resident nursing and program advisors)

Allocated Administration Costs

- (a) General administrative services provided by head office or centralized shared administration team (non-arms length) such as payroll services and providing and preparing corporate policy binders

General and Administrative Supplies

Supplies eligible under the OA envelope include, but are not limited to, the following:

- (a) labels and label maker tape
- (b) stamps, including all mailing stamps, address stamps, rubber stamps, custom stamps, deposit stamps, stamps for coding invoices, and trust account stamps
- (c) room signs, plates, and plaques, including those for residents
- (d) custom signs and sign holders
- (e) identification supplies of any kind including plastic authorization cards, photograph identification badges, badge-clips, nametags, for staff and/or residents
- (f) banners, flags, signs, papers, and decorations
- (g) computer supplies for business operation and administrative purposes including toner cartridges, mousepads, and paper
- (h) gift bags, boxes, bows, tissues, ribbons, wrapping paper, glue sticks, scotch tape, gift cards, gift packs, gift baskets, magnetic decals, engraving on gift items that are not exclusive to resident programming.
- (i) decorations for any occasion not directly and exclusively related to a documented PSS event or program.
- (j) binders, binder dividers, paper, toner, pens, pencils, highlighters note pads, white out, anti-static computer cleaner for the whole facility
- (k) pencil holders, staplers, hole punchers, paper cutters, and staple removers
- (l) cheque books

General and Administrative Equipment (including Furnishings)

Equipment eligible under the OA envelope include, but are not limited to, the following:

- (a) Purchase, repair, rental and replacement of:
 - (1) dining room furnishings, including adjustable and regular dining tables and chairs
 - (2) stools for staff use when providing care including revolving stools
 - (3) chairs and TV stands for lounges and dining rooms
 - (4) common area furnishings including chairs, sofas, and coffee tables
 - (5) couches, easy chairs, reclining lounge chairs and glider rocker
 - (6) walkers for the general use of residents

- | | | |
|--|--|--|
| (7) wheelchairs for the use of residents | (8) canes and crutches for the general use of residents | (9) chart racks |
| (10) magazine racks, mailboxes, and menu stands | (11) umbrella stands | (12) clocks (wall clocks or alarm clocks) |
| (13) beds and mattresses (all kinds including: regular, electric, high-low, bariatric, and waterproof) | (14) bedside tables | (15) side chairs |
| (16) paintings, art, prints, pictures, and picture frames | (17) wardrobes | (18) postage Machines |
| (19) over-bed tables | (20) foot board and foot rests | (21) cabinets for stereos or aquariums |
| (22) purchase or lease of photocopiers, label makers, fax machines, printers, scanners, typewriters and other operational and administrative equipment | (23) purchase, repair and replacement of any software and computer hardware that does not exclusively support nursing or programming tasks | (24) modems |
| (25) other furniture, appliances, machinery, and equipment used in business operation | (26) floor pads | (27) audio/video equipment purchased for general or administrative use |
| (28) bookcases and hutch | | |

General and Administrative Education and Training

- (a) workbooks, manuals, reference materials and notebooks relating for training that pertains to non-clinical general and administrative topics
- (b) reference materials, periodicals and academic journals that support general and administrative activities
- (c) cost of employing educators, teachers, and trainers for general and administrative training and education
- (d) attendance costs for meetings and conferences with associations for corporate staff, administrators and controllers including reasonable per-kilometer travel reimbursements, bus or train tickets, car rentals (when appropriate), hotel stays and meal expense
- (e) convention, training sessions, seminars and workshop fees for corporate staff, administrators, and controllers
- (f) computer training for corporate staff, administrators, and controllers
- (g) communication, planning, and issues management workshops for non-managerial staff
- (h) productivity coaching and community relations seminars for any staff member

- (i) financial training for any staff member
- (j) WSIB certification courses or *Employment Standards Act (ESA), 2000* training
- (k) training on phone systems
- (l) education, training, attendance, travel and accommodation costs for any administrative support staff (excluding NPC Administration as described on page 10 of this document)
- (m) education, training, attendance, travel and accommodation costs for controllers, administrators, corporate and management staff
- (n) facilitators and/or course materials to advance the professional development of staff for example if RNs want to do their BScN

Association Memberships, Accreditation Fees, License Fees and Dues

- (a) registration fees, accreditation fees, and annual survey fees charged by the Canadian Council on Health Services Accreditation (CCHSA)
- (b) professional advisory committee dues
- (c) professional license fees & dues
- (d) Workplace Health and Safety certification
- (e) Membership and professional fees or dues for the LTC home to join relevant provincial associations and professional organizations including but not limited to:

Activity Professionals of Ontario	Alzheimer Society of Ontario
Focus on Health and Safety Organization	Ontario Association of Non-Profit Homes and Services for Seniors
Ontario Long Term Care Association	Ontario Nursing Home Association
Registered Nurses' Association of Ontario	Ontario Palliative Care Association

Note: If a home chooses to subsidize an employee's membership fees and/or dues to professional organizations and/or provincial associations, it should be charged to the OA envelope.

Honorariums and Donations

- (a) donations to and sponsorships of any community event, program or club
- (b) donations to individuals or organizations, including donations of equipment, services or transfer of funds

(c) gifts or recognition awards for volunteers

General and Administrative Other

(a) recruitment and retention costs including retention bonuses, signing or retention incentives, discretionary bonuses, holiday bonuses, sign-on bonuses, and lump-sum payments for all staff

(b) costs associated with any meetings for staff and/or volunteers

(c) Appreciation, Recognition and Recreation Costs including:

(1) staff appreciation / recognition, auxiliary and annual dinners, lunches, outings, gift baskets, certificates, banners, flowers, cards, awards, pins, mugs, badges, plates, trophies, balloons, and other gifts and prizes

(2) appreciation and recognition certificates, gifts/tokens, flowers, cards and meals of any kind, for any occasion, to any person regardless of department and classification including volunteers, board members, doctors, etc.

(3) recreational and entertainment activities, outings and entertainment such as golf tournaments or other sporting events for any staff members or volunteers

(4) any community events, festivals or sponsorships

(d) insurance fees for corporate and management staff, administrators or controllers or other employee's personal auto insurance including for cars, vans buses

(e) service charges or late payment penalties for any external agency/party for example the Canada Revenue Agency, WSIB etc.

(f) transportation, room rental fees and food for union negotiations

(g) expenses related to any accreditation celebration or related activities, framing of accreditation certificates, LTC certificates and others

(h) Sundry and petty cash expenses made by any controllers, administrators (excluding NPC administrators as described on page 10 of this document), corporate and general management staff¹⁶

(i) courier and postage fees - delivery, freight, and express

(j) bonding, liability and insurance for staff, board, and volunteers

(k) credit card annual fee and/or interest on credit cards

¹⁶ Please note: If an NPC or PSS eligible expense is paid for in petty cash it must include supporting documentation in addition to the petty cash chit or else it will be considered an OA expense.

(l) bank charges including trust account management fees

(m) costs related to the administration of union agreements, conducting union negotiations, arbitration hearings, and associated legal costs

(n) Souvenirs provided at no charge:

(1) t-shirts or sweatshirts of any kind, corsages, pens, pencils, key cases, scarves, mugs and similar items or any occasion, to any person regardless of department and classification

(2) mugs, jewelry, badges, and other similar items bearing the official registered symbol or logo of the organization

Note: Items for sale to anyone including employees, residents, volunteers, or the public the items are not eligible for any LOC funding as they are ultimately funded by the purchaser.

Building and Property – Operations and Maintenance

Operations and Maintenance Staff

(a) Operations and Maintenance Staff are defined as:

(1) skilled trade's people (carpenters, electricians, mechanics, equipment operators), apprentices, laborers and their management

Duties/purchased services may include:

(1) installing/fixing wiring

(2) fixing air conditioning/heating

(3) installing wheelchair ramps

(4) landscaping

(5) repair, maintenance, removal and replacement of burst pipes, and water tanks

(6) repair and replacement of faucets, mixing valves, shut-off valves, circuit breakers, and temperature detectors

(7) electrical and power supply repair and maintenance

(8) telephone installation for common areas and staff administrative use

(9) engineering, installation and other related costs for the maintenance, alteration or renovation of buildings

(10) pool care

- (11) snow removal services
- (12) painting (indoor and outdoor)
- (13) parking lot repairs and maintenance

Operations and Maintenance Supplies

Supplies eligible under the OA envelope include, but are not limited to, the following:

- (a) construction and renovation supplies (wood, joint compound, and blades)
- (b) supplies and materials for retaining walls, drywalls, and sidewalls
- (c) ceilings, ceiling panels, ceiling patches, and ceiling paints
- (d) renovation supplies
- (e) painting materials
- (f) wood finishing products such as wood stains, wood conditioners, clear protective finishes, wood cleaners, and wood fillers
- (g) landscaping and gardening/planting supplies such as flowers, plants, vines, fertilizer, grass seeds, topsoil, triple mix, garden mums, mulch, wood chips, weed control supplies, flower pots, patio pots, leaf bags etc., unless eligible under PSS
- (h) gasoline for lawn mover or as necessary
- (i) supplies related to installation, repair and maintenance services of building and property equipment
- (j) light bulbs and lamp shades
- (k) general light switches
- (l) batteries for general use including for emergency lights, and telephones
- (m) ballasts, fuses, and DC relays
- (n) pest control supplies
- (o) telecommunications infrastructure supplies including wiring and switches
- (p) flashlights
- (q) interlocking and paving material such as interlocking bricks, gravel, gravel base, sand, and asphalt pads etc.

- (r) keys and key switches
- (s) power tools, manual tool sets, power bars, surge protectors, transmitters, wireless microphones and wiring
- (t) utility knives, allen keys, sandpaper, duct tape, insulation tape, hinges, metal plates, hooks, baseboards, and plywood
- (u) wall fixtures, wallpapers and wall borders
- (v) pliers, screwdrivers, and hammers
- (w) general building maintenance supplies and equipments such as sidewalk salt, snow removal brushes, shovels, engine oil, etc.
- (x) purchase, repair, maintenance and replacement of telecommunications and electrical infrastructure such as phone jacks, cables, cords, and outlets

Operations and Maintenance Equipment

Equipment eligible under the OA envelope include, but are not limited to, the following:

- (a) renovation equipment
- (b) bike racks
- (c) emergency lights
- (d) battery charger
- (e) acquisition, repair, maintenance, and replacement of:
 - (1) fences
 - (2) doors
 - (3) gates and gateposts
 - (4) railings
 - (5) windows
 - (6) sheds
 - (7) riding/push mowers
- (f) parking signs
- (g) replacement of heating or cooling systems, water heaters, fans, exhaust fans, vents, furnaces and furnace filters, boilers, dishwashers, washing machines, and dryers
- (h) parts for maintenance of building operations such as:
 - (1) elevators and escalators
 - (2) heating and cooling systems including air conditioners, coolers, heaters, and humidifiers

- (i) fans, including ceiling, pedestal, and exhaust fans for medication rooms, dining rooms or offices
- (j) window curtains and railings, curtain rods, blinds, drapes, roller shades, cushions, cushion covers fixing or shortening of drapes for staff or family lounge
- (k) garden equipments, including lawnmowers, weed whackers, sprinkler systems, water hoses, hedge trimmers, pruners, scissors, wheel barrow, garden rakes, boulders, etc.
- (l) Building security equipment:
 - (1) service on or purchase of components for any security system including surveillance cameras and security cameras
 - (2) purchase of locks including door, security and childproof locks, as well as magnetic (Mag) locks and systems
 - (3) replacement, repairs, and maintenance of door locks and lock power supply, magnetic door locks and systems
 - (4) purchase, replacement, repairs, and maintenance of buzzers, door bells, door chimes, door chains, and floor mount door holders
 - (5) purchase, repair, maintenance, replacement and inspection of alarm systems including door alarms, bed alarms, fire alarms, stage pull station for fire alarms, monitoring stations, display units, indoor keypads, fire and safety equipment such as safety vests for fire drills, smoke detectors, alarm ground fault, panic bars, smoke detectors, fire detector systems, fire extinguishers and fire display boards
 - (6) cameras, including digital cameras, manual cameras, and camcorders

Building and Property- Operations and Maintenance Education and Training

- (a) workbooks, manuals, and notebooks relating to training and education that enhances a operations and maintenance staff member's ability to fulfill their primary job function
- (b) reference materials that support operations and maintenance service staff in their daily activities
- (c) cost of employing educators, teachers, and trainers for operations and maintenance-related training and education
- (d) attendance costs for approved operations and maintenance education including reasonable per-kilometer travel reimbursements, bus or train tickets, car rentals (when appropriate), hotel stays and meal expenses

Other

- (a) building drawings for construction and engineering

Facility Costs

Insurance

- (a) property insurance including for fire, theft, flood and damage
- (b) all commercial insurance for buildings, machinery, and equipment used in business
- (c) business interruption insurance

Communications

- (a) monthly telephone charges for staff phones and common area phones including long distance charges (for resident care-related issues)
- (b) internet subscription fees for the facility

Note: Fees for communications services for individual residents such as personal internet and personal telephone plans are not eligible for LOC funds.

Utilities

- (a) water
- (b) hydro
- (c) gas

Taxes

- (a) property & capital tax
- (b) municipal business taxes

Rent

- (a) lease / rental

Interest

- (a) mortgage interest
- (b) interest on operating line of credit

Amortization and Depreciation

(a) the amortization and Depreciation of capital assets such as a licensee's buildings

Appendix A: Residents' Bill of Rights, LTCHA, 2007

- 3 (1) *Every licensee of a long-term care home shall ensure that the following rights of residents are fully respected and promoted:*
1. *Every resident has the right to be treated with courtesy and respect and in a way that fully recognizes the resident's individuality and respects the resident's dignity.*
 2. *Every resident has the right to be protected from abuse.*
 3. *Every resident has the right not to be neglected by the licensee or staff.*
 4. *Every resident has the right to be properly sheltered, fed, clothed, groomed and cared for in a manner consistent with his or her needs.*
 5. *Every resident has the right to live in a safe and clean environment.*
 6. *Every resident has the right to exercise the rights of a citizen.*
 7. *Every resident has the right to be told who is responsible for and who is providing the resident's direct care.*
 8. *Every resident has the right to be afforded privacy in treatment and in caring for his or her personal needs.*
 9. *Every resident has the right to have his or her participation in decision-making respected.*
 10. *Every resident has the right to keep and display personal possessions, pictures and furnishings in his or her room subject to safety requirements and the rights of other residents.*
 11. *Every resident has the right to,*
 - i *participate fully in the development, implementation, review and revision of his or her plan of care,*
 - ii *give or refuse consent to any treatment, care or services for which his or her consent is required by law and to be informed of the consequences of giving or refusing consent,*
 - iii *participate fully in making any decision concerning any aspect of his or her care, including any decision concerning his or her admission, discharge or transfer to or from a long-term care home or a secure unit and to obtain an independent opinion with regard to any of those matters, and*
 - iv *have his or her personal health information within the meaning of the Personal Health Information Protection Act, 2004 kept confidential in accordance with that Act, and to have access to his or her records of personal*

health information, including his or her plan of care, in accordance with that Act.

12. *Every resident has the right to receive care and assistance towards independence based on a restorative care philosophy to maximize independence to the greatest extent possible.*
13. *Every resident has the right not to be restrained, except in the limited circumstances provided for under this Act and subject to the requirements provided for under this Act.*
14. *Every resident has the right to communicate in confidence, receive visitors of his or her choice and consult in private with any person without interference.*
15. *Every resident who is dying or who is very ill has the right to have family and friends present 24 hours per day.*
16. *Every resident has the right to designate a person to receive information concerning any transfer or any hospitalization of the resident and to have that person receive that information immediately.*
17. *Every resident has the right to raise concerns or recommend changes in policies and services on behalf of himself or herself or others to the following persons and organizations without interference and without fear of coercion, discrimination or reprisal, whether directed at the resident or anyone else,*
 - i the Residents' Council,*
 - ii the Family Council,*
 - iii the licensee, and, if the licensee is a corporation, the directors and officers of the corporation, and, in the case of a home approved under Part VIII, a member of the committee of management for the home under section 132 or of the board of management for the home under section 125 or 129,*
 - iv staff members,*
 - v government officials,*
 - vi any other person inside or outside the long-term care home.*
18. *Every resident has the right to form friendships and relationships and to participate in the life of the long-term care home.*
19. *Every resident has the right to have his or her lifestyle and choices respected.*
20. *Every resident has the right to participate in the Residents' Council.*
21. *Every resident has the right to meet privately with his or her spouse or another person in a room that assures privacy.*
22. *Every resident has the right to share a room with another resident according to their mutual wishes, if appropriate accommodation is available.*

23. *Every resident has the right to pursue social, cultural, religious, spiritual and other interests, to develop his or her potential and to be given reasonable assistance by the licensee to pursue these interests and to develop his or her potential.*
 24. *Every resident has the right to be informed in writing of any law, rule or policy affecting services provided to the resident and of the procedures for initiating complaints.*
 25. *Every resident has the right to manage his or her own financial affairs unless the resident lacks the legal capacity to do so.*
 26. *Every resident has the right to be given access to protected outdoor areas in order to enjoy outdoor activity unless the physical setting makes this impossible.*
 27. *Every resident has the right to have any friend, family member, or other person of importance to the resident attend any meeting with the licensee or the staff of the home.*
- 3 (2) *Without restricting the generality of the fundamental principle, the following are to be interpreted so as to advance the objective that a resident's rights set out in subsection (1) are respected:*
1. *This Act and the regulations.*
 2. *Any agreement entered into between a licensee and the Crown or an agent of the Crown.*
 3. *Any agreement entered into between a licensee and a resident or the resident's substitute decision-maker*
- 3 (3) *A resident may enforce the Residents' Bill of Rights against the licensee as though the resident and the licensee had entered into a contract under which the licensee had agreed to fully respect and promote all of the rights set out in the Residents' Bill of Rights. This Act and the regulations.*

Appendix B: Definitions

Attendance Costs

- Food, accommodation and travel costs (e.g., per kilometer rate defined by the CRA) associated with attending a particular education or training session.

Building and Property – Operations and Maintenance

- Costs associated with the operations and maintenance of the physical plant and property including costs incurred for skilled trade's persons, apprentices, labourers, and their management.

Computer and Computing Devices

- Programmable electronic machine that performs high-speed mathematical or logical operations or that assembles, stores, correlates, or otherwise processes information.

Dietary Services

- Expenditures related to the provision of meals to residents other than the cost of raw food and PSS eligible dietician's time (in accordance section 2.2 of the *LTCH Level-of-Care Per Diem Funding Policy*.)

Education and Training

- Process dealing primarily with transferring or obtaining knowledge, attitudes, and skills that enhances staff's ability to perform tasks related to their primary job function.
- Education and Training may be charged to NPC, PSS, or OA depending on the nature of the subject matter and the responsibilities of the staff receiving the training. General and administrative training which is applicable to all staff such as: corporate policy, WHIMS, general workplace standards, union or human resources-related functions must be charged to OA.
- Note: Continuing education and graduate/post-graduate degrees such as a B.Sc., or a Masters for any staff must always be charged to OA.

Employee Benefits

- Non-wage and non-salary based compensation received by employees of the home. Any costs related to staff employed by non-arms length or third-party placement agencies are excluded.
- Employee benefit entitlements negotiated as part of a collective agreement, which are consistent with the *Employment Standards Act (ESA), 2000* and provide reasonable compensation based on industry standards are eligible as part of the benefits for NPC and PSS staff except for the following:
 - a) Transportation allowance;
 - b) Education related benefits, including education allowances, education fund, and education leave;

- c) Reimbursement of membership fees and professional dues, including nursing annual association dues.
- All excluded items are to be allocated to the Other Accommodation envelope. The list of exceptions may be amended pending semi-annual review.

Equipment

- An instrumentality needed for an undertaking or to perform a service

Facility Costs (Cost Centre)

- Expenditures for the operation of a home including rent, insurance, communications, utility costs, interest expenses, depreciation and amortization expenses, and taxes other than those considered as employee benefits.

FTE

- Full-time equivalent - Relates to the number of employee hours worked as a percentage of full-time hours.

Furniture

- The movable articles in a room or an establishment that make it fit for living or working.

General and Administrative (Cost Centre)

- Expenses related the performance or management of general business operations. Activities carried out include:
 - a) Management and supervision of: general staff, and non-NPC/PSS volunteers and students (e.g., Payroll intern, HR intern);
 - b) Payroll, personnel and human resource activities for the entire facility;
 - c) Gathering and reporting of financial and statistical information (with the exception of the MDS RAI Coordinator);
 - d) Planning, budgeting and organizational performance monitoring;
 - e) Clerical and support activities;
 - f) Reception;
 - g) Team, departmental, internal committee, board and association meetings;
 - h) Staff training/education for administrative activities and general workplace standards;
 - i) Travel time by administrative employees.
 - j) All costs related to the administration of employee and union agreements including union negotiations, arbitration meetings, and pay equity negotiations.
 - k) General consulting fees
 - l) Allocated administration or management fees transferred from a parent organization
 - m) Computer equipment and software except those accepted under the NPC and PSS envelopes
- Other General costs including, but not limited to:
 - a) Funeral and burial costs
 - b) Association fees
 - c) Travel expenses other than those incurred for transporting residents to and from medical appointments or recreational events

- d) Legal costs
- e) Medical Director fees, Incontinence Supplies costs, and Dietician Time costs over the amounts allocated in the *LTCH Level of Care Per Diem Funding Policy*.

Housekeeping Services (Cost Centre)

- Expenditures incurred in the provision of housekeeping services

Infrastructure

- Relatively permanent and foundational capital investment of a LTC home on basic facilities, services, and installations that enables the operation of a home and the related business activities, including the following functions: administrative, communications, transportation, utilities, waste removal, education, and training¹⁷.

Laundry and Linen Services (Cost Centre)

- Expenditures incurred in the provision of laundry services.

Other (Cost Centre)

The “Other” expenditure category is for expenditure items that have no other relevant cost centre in a particular envelope. These items may exist in some homes based on their unique financial or organizational division of costs. “Other” expenditures are eligible if they meet the following criteria:

- a) The operator can clearly demonstrate that the expenditure item is relevant and has appropriated the item to the applicable cost centre;
- b) The operator can clearly demonstrate that the expenditure item will enhance or improve the provision of services to the resident(s);
- c) Items each costing \$3,000 or more are approved by the Local Health Integration Network/Ministry. This criterion applies only to the Nursing and Personal Care and the Program and Support Services envelopes. For red-circled homes, this criterion also applies to the Other Accommodation envelope (please see the *LTCH Reconciliation and Recovery Policy Appendix* for more information); and
- d) A specific description for each “Other” expenditure item must be provided.

Purchased Services

- Costs incurred for people other than staff members of a home to perform services considered admissible under a particular funding envelope.
- There are two circumstances in which a staff member of a particular home can be considered a purchased service:

¹⁷ Examples of education and training that a home would make as part of its foundational capital investment are education and training relating to corporate policies and building/facilities maintenance and management.

- 1) NPC/PSS equipment maintenance: As outlined in the policy, labour hours used in the repairs of NPC and PSS equipment can be charged to NPC and PSS, respectively, as a purchased service from the OA envelope. This cost must be limited to the hours of labour necessary to complete the task.
- 2) Education/Training Coordinators: If the licensee employs a full-time education/training coordinator, labour hours used in the coordination of NPC and PSS eligible education/training can be charged to NPC and PSS, respectively, as a purchased service from the OA envelope. This cost must be limited to the hours of labour necessary to complete the task. As outlined in the framework, general education such as WHMIS training or Diversity training must be allocated to OA.

Salaries and Wages

- Compensation received by employees of the home for performing the basic responsibilities of their job. Allowable salary and wage ranges must be in line with prevailing market conditions for the work performed. Only salaries and wages of employees that are actively carrying out the duties of the position for which they are being compensated are included. Any costs related to staff employed by non-arms length or third-party placement agencies are excluded.
- Salary and wage entitlements negotiated as part of a collective agreement, which are consistent with the *Employment Standards Act (ESA), 2000* and provide reasonable compensation based on industry standards are eligible as part of the salaries for NPC and PSS staff except for the following:
 - a) Payment of salary or wage during leaves of absence;
 - b) Reporting pay – payment of partial or full wage for reporting to a cancelled shift;
 - c) Any salary or wage-based compensation during a special leave;
 - d) Top up of salaries or wages during WSIB leave.
- All excluded items are to be allocated to the Other Accommodation envelope.

The list of exceptions may be amended pending semi-annual review.

Shared Clinical Nursing Consultant (Expert)

- The nursing consultant (preferred terminology is clinical nursing expert) is a nurse (NP, RN, or RPN) who works collaboratively with the Director of Care/Nursing and the clinical team to create and maintain a high quality, safe and compliant home. His/her work responsibilities generally include:
 - Developing, implementing and evaluating:
 - Policies and procedures related to care provision
 - Educational and best practice initiatives, including infection control
 - Initiatives geared at promoting and ensuring compliance with regulatory requirements and individual home quality standards
 - Visiting the homes:
 - To evaluate implementation and effectiveness of policies and procedures, including nursing documentation and compliance by staff with set standards, policies and procedures
 - To assess quality programs and the impact on resident care and safety
 - Supporting the DOC in the orientation and development of all staff in the nursing department
 - Supporting the professional practice of the Directors of Care, Registered Nurses and other regulated staff as well unregulated care providers
- Below is a sample of job titles used in the sector that relate to this role:
 - Resident Safety, Infection Control and Quality Practice Consultant
 - Policy Development Coordinator
 - Care and Services Coordinator
 - Regional Manager, Clinical Services
 - Regional Care Coordinators

- Nurse Consultant

Supplies

- Supplies are intangible items (such as computer software) and consumable items with no substantial measurable life used to perform a task or service. Supplies are found in the NPC, PSS and OA envelopes. Consumable materials may include: text books, paper, pencils, materials used in maintenance activities, computer software, and food, depending on the definition of the envelope in consideration.

Appendix C: List of Clarified LTCH "Gray Area" Expenditures: LTCH Expenses Requiring Envelope Classification Clarifications

The following Gray Area list has been drafted as a guide to provide LTCH licensees further clarity with respect to how certain expenditure items should be classified.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
1	Network-related shared services (e.g. server, modems, internet, firewall)	No.	No.	No.	Yes. All communications and computer infrastructure are Other Accommodation costs.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
2	Electronic hardware and software used to support the creation of patient records. (i.e. computers, computing devices)	Yes. The NPC definition directs that computer and computing devices, including hardware and software specifically designed for use by NPC staff in the assessment, evaluation, and documentation of the medical, nursing and personal care needs of residents are eligible. Also, the definition provides that the repair and maintenance of	Yes. The PSS definition directs that computer and computing devices, including hardware and software specifically designated for use by PSS staff in the assessment, evaluation, and documentation of the support services and programming needs of residents are eligible. Also, the definition provides that for repair and maintenance of electronic hardware the licensee can be	No.	Yes. If a computer is shared between general business operations and direct care envelopes (NPC and PSS) then the total cost of the item should be charged to OA. Electronic hardware and software used for general business operations (i.e., payroll, human resource functions) must also be included in OA.	Yes - The item qualifies under the criteria. To ensure criteria continues to be met, computer and computing hardware that is shared by direct care envelopes (NPC and PSS) must be prorated between the two envelopes. Funds from the OA envelope may be used to offset expenditures. A licensee should demonstrate that the equipment: (a) maintains, enhances or improves the	Yes - The item qualifies under the criteria. To ensure criteria continues to be met, computer and computing hardware that is shared by direct care envelopes (NPC and PSS) must be prorated between the two envelopes. Funds from the OA envelope may be used to offset expenditures. A licensee should demonstrate that the equipment: (a) maintains, enhances or improves the	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria. Prorating not applicable to OA as value can only be prorated between NPC and PSS, otherwise fully assigned to OA.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		electronic hardware the licensee can be charged to NPC, but only at an hourly rate. FTEs for this type of service can only be charged to the OA envelope.	charged to PSS but only at an hourly rate. FTEs for this type of service cannot be charged to any envelope other than OA.			provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
3	Computers purchased for the exclusive use of LTCH residents.	No.	Yes. If the computers are exclusively used by residents either as part of a planned, structured program or are available in common areas where the general resident population has the ability to access them to meet their assessed needs, they may be charged to PSS. Note: Computers purchased for the exclusive use of	No.	No.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
			individual residents may not be purchased with LOC funding.						
4	Purchase of printers & photocopiers	No.	No.	No.	Yes. Printers and photocopiers are administrative equipment and supplies which are eligible under OA. In addition, the NPC and PSS envelopes specifically excludes printers and photocopiers from eligibility.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
5	Cell phones (including smartphones or BlackBerries) for administrators, DOC, managers etc.	No.	No.	No.	Yes. Cell phones are general and administrative expenses eligible under the OA envelope.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
6	Nurse call bell system infrastructure	No.	No.	No.	Yes. Expenditures for building and property infrastructure costs are consistent with the definition of OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
7	Pagers for clinical care	Yes. All pagers,	Yes. All pagers,	No.	Yes. All pagers,	Yes - The item	Yes - The item	N/A - Item	Yes. The item qualifies

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		including internal call-system pagers, qualify if they are used to improve the delivery of NPC services because they can quickly mobilize direct care staff. By definition, it is used by the staff in the provision of direct medical, nursing, and personal care. If, for whatever reason, the licensee chooses to deploy smartphones for clinical care paging, those must be charged to OA (See <i>Cell phones</i> , above)	including internal call-system pagers, qualify if they are used to improve the delivery of PSS services because they can quickly mobilize care staff.		including internal call-system pagers, qualify if they are used by non-direct care staff for purposes ineligible under NPC and PSS. In this case, the item represents an expenditure on general business operations.	qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	not qualified under definition.	under the criteria.Prorating not applicable.
8	Software Licensing & Support Fees (Framework applied on the	Yes. For NPC exclusive use	Yes. For PSS exclusive use	No.	Yes. Eligible for non-NPC and	Yes - The item qualifies under the	Yes - The item qualifies under the	N/A - Item not	Yes. The item qualifies under the

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
	assumption that software licensing is included in the definition of software.)	only. Expense consistent with the definition of NPC which provides that computer and computing devices, including hardware and software, specifically designed for use by NPC staff in the assessment, evaluation and documentation of the medical, nursing and personal care needs of residents are eligible.	only. Expense consistent with PSS definition which provides that computer and computing devices, including hardware and software, specifically designed for use by PSS staff in the assessment, evaluation and documentation of support and programming needs of residents are eligible.		non-PSS purposes (i.e. HR, payroll, scheduling, etc.)	criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the equipment: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the equipment: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	qualified under definition.	criteria.Prorating not applicable.
9	Fax machines	No.	No.	No.	Yes. Equipment for administrative purposes qualifies as OA expenses.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
10	Digital handheld cameras	Yes. For NPC exclusive use	Yes. For PSS exclusive use	No.	Yes. If a camera is used for	Yes - The item qualifies under the	Yes - The item qualifies under the	N/A - Item not	Yes. The item qualifies under the

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		ONLY. Expenditures on digital handheld cameras are always OA unless the licensee can demonstrate that the camera is being used exclusively by NPC staff in the provision of direct medical, nursing or personal care (e.g., as part of the assessment of wounds).	ONLY. Expenditures on digital handheld cameras are always OA unless the licensee can demonstrate that the camera is being used exclusively by PSS staff in direct program and support services to residents and if it is considered to be irreplaceable in the provision of that program.		indirect resident care or any purpose not captured under the NPC or PSS definitions. Specifically, cameras used for surveillance and security purposes represent a general and administrative cost.	criteria.As per definition, prorating among PSS or NPC may apply. Funds from the OA envelope may be used to offset expenditures.	criteria.As per definition, prorating among PSS or NPC may apply. Funds from the OA envelope may be used to offset expenditures.	qualified under definition.	criteria.Prorating not applicable.
FURNITURE									
11	Beds with head & foot board	No.	No.	No.	Yes. This furniture item represents a general and administrative cost in maintaining the care environment for the resident.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source.Prorating not applicable as only eligible in OA.
12	Bariatric beds	No.	No.	No.	Yes. This item represents a general and	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified	Yes. The item qualifies under the criteria as it is not funded by another

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					administrative cost to maintain the care environment for the resident.			under definition.	source. Prorating not applicable as only eligible in OA.
13	High-Low beds	No.	No.	No.	Yes. This item represents a general and administrative cost to maintain the care environment for the resident.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
14	Filing cabinet & chart racks	No.	No.	No.	Yes. Administrative supplies and equipments constitute a general and administrative expense.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
15	Mobile chart racks	No.	No.	No.	Yes. Item provides support for administrative supplies and equipment, and as such constitutes a general and administrative expense.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
16	Cabinet & storage boxes for supplies	No.	No.	No.	Yes. Furnishing and office	N/A - Item not qualified under	N/A - Item not qualified under	N/A - Item not	Yes. The item qualifies under the criteria as it is

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					equipment are eligible general and administrative costs.	definition.	definition.	qualified under definition.	not funded by another source. Prorating not applicable as only eligible in OA.
17	Chairs	No.	No.	No.	Yes. Furniture is part of any residence and is therefore a general and administrative cost of the facility.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
18	Medicine carts	Yes. This item qualifies as equipment used in the provision of medical and nursing care to the resident.	No.	No.	No.	Yes - The item qualifies under the criteria. No prorating necessary as item fully assigned to NPC, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the equipment: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
						(b) maintains and improves the productivity and effectiveness of staff.			
19	Tub chairs	Yes. Tub chairs (including those for bariatric patients) represent equipment used by care staff in the provision of direct personal hygiene care to the resident.	No.	No.	Yes. If the tub chair is not prescribed as necessary for a resident's use, it is a general and administrative piece of equipment associated with maintaining the care environment for residents.	Yes - The item qualifies under the criteria.No prorating necessary as item fully assigned to NPC, however funds from the OA envelope may be used to offset expenditures.Also, a licensee could demonstrate that the equipment: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria.No prorating applicable as either exclusively NPC or fully assigned to OA.
20	Overbed tables, arm chairs	No.	No.	No.	Yes. Furniture is an eligible	N/A - Item not qualified under	N/A - Item not qualified under	N/A - Item not	Yes - The item qualifies under the criteria as it is

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					general and administrative cost.	definition.	definition.	qualified under definition.	not funded by another source. Prorating not applicable as only eligible in OA.
21	Recliners	No.	No.	No.	Yes. Furniture is an eligible general and administrative cost.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
22	Geriatric chairs	Yes. Only if the geriatric chair is prescribed by a physician as a positioning device required to meet the medically assessed needs of a resident and is used only by the residents to which it was prescribed. Otherwise, by default a geriatric chair is not admissible to NPC as it is considered a	No.	No.	Yes. Furniture is an eligible general and administrative cost.	Yes - The item qualifies under the criteria. No prorating necessary as item must be fully assigned to NPC or OA, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the equipment: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria. No prorating applicable as it must be charged either completely to OA, or completely under NPC (under the special circumstances prescribed).

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		piece of furniture. Please note: the use of positioning devices are subject to regulations under the <i>Long-Term Care Homes Act, 2007</i> .				(b) maintains and improves the productivity and effectiveness of staff.			
23	Mattresses	No.	No.	No.	Yes. Mattresses are furnishing items associated with the general and administrative cost of a home.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
24	Special surfaces	Yes. Special surfaces prescribed in an assessed care plan, such as mattress toppers used in the treatment or prevention of ailments (such as bedsores) are eligible supplies used in the provision	No.	No.	Yes. If special surfaces are not prescribed to a particular resident, they are general equipment associated with maintaining the general care environment of the home. In such instances, special surfaces	Yes - The item qualifies under the criteria.No prorating necessary as item must be fully assigned to NPC. However, funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria.No prorating applicable as either exclusively NPC or fully assigned to OA.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		of direct nursing and personal care. As an NPC eligible expense, the repair and mending of mattress toppers would also qualify under NPC.			are a general and administrative costs of the home.	the equipment: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.			
25	Tubs	No.	No.	No.	Yes. Bathing fixtures are an eligible general and administrative cost.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
26	Curtains	No.	No.	No.	Yes. Curtains are associated with general and administrative costs to maintain the care environment for residents.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
FOOD									
27	Food	No.	No.	Yes. Expenditures on raw food, including life	Yes. Expenditures on alcohol or food relating to non-	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
				sustaining or supplementary substances ordered by a care professional for a resident are eligible. Expenditures on alcohol or food for anyone other than residents are not eligible.	residents (i.e. staff, volunteers, resident family members, general public, etc.) are eligible as general and administrative costs.			criteria.	
28	Thickeners deemed medically necessary for the consumption of medicine by residents	Yes. If consumable items such as applesauce or medical-grade thickener is deemed medically necessary for the safe consumption of medicine by residents then these supplies may be purchased using NPC funds as they meet the	No.	No.	No.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		nursing and personal care needs of the residents. Homes must be able to provide evidence that food and thickeners used for medication purposes were purchased separately from that used for dietary and nutritional purposes.							
29	Annual board members dinner, board members' holiday dinner	No.	No.	No.	Yes. This cost primarily concerns staff appreciation and general home administration. OA allows for general and administrative services that will maintain the care environment for residents.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
30	Alcohol for pub nights	No.				N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
								under definition.	
31	Non-alcoholic drinks to be used for happy hour which is outside of regular meals	No.	Yes. If the drinks represent an expenditure that is part of a program and not part of a regular meal, it can be charged to PSS as per the definitions of PSS and RF.	No.	No.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee could demonstrate that the expenditure: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.
32	Bottled water	No.	No.	Yes. Beverages are a RF item.	Yes. Bottled water for anyone other than residents is to be charged to OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. RF envelope expenses	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
33	Food for special events for residents only	No.	Yes. Only if a licensee can demonstrate that the food product is part of a structured program and that the food is irreplaceable in the delivery of that program. In addition, food product can only be for residents, and the food product does not replace all or part of a meal. The requirement for pre-approval is waived.	Yes. All beverages, regular meals, and nutrition prescribed by a doctor or dietician should be expensed to the RF envelope.	Yes. Food for anyone other than residents: i.e. staff, volunteers, resident family members, general public, etc.. must be charged to OA as a general and administrative expense.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that the expenditure: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	cannot be prorated. Yes. The item qualifies under the criteria.RF envelope expenses cannot be prorated.	Yes. The item qualifies under the criteria.Prorating not applicable.
34	Cost of take-out food for residents who have signed up for a take-out meal recreational program.	No.	No.	Yes. The food purchased is a meal for the resident and therefore should be paid for out of the RF envelope.	Yes. Food for anyone other than residents: i.e. staff, volunteers, resident family members, general public, etc.. must be	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.RF envelope expenses cannot be prorated.	Yes. The item qualifies under the criteria.Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					charged to OA as a general and administrative expense.				
35	Meals for staff meetings	No.	No.	No.	Yes. Food for staff meetings is considered a general and administrative cost of running the business.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
36	Social club dinners	No.	Yes. Only if a licensee can demonstrate that the food product is part of a structured program and that the food is irreplaceable in the delivery of that program. In addition, food product can only be for residents, and the food product does not replace all or part of a meal. The requirement for pre-approval will be waived	Yes. All beverages, regular meals, and nutrition prescribed by a doctor or dietician should be expensed to the RF envelope.	Yes. Food for anyone other than residents: i.e. staff, volunteers, resident family members, general public, etc.. must be charged to OA as a general and administrative expense.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	Yes. The item qualifies under the criteria. RF envelope expenses cannot be prorated.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
STAFF & STAFFING-RELATED CHARGES									
37	Infection Control Nurse	Yes. Infection control nurses contribute to the provision of direct care to residents and as such their salaries and benefits may be expensed to NPC.	No.	No.	Yes. Any extraordinary costs relating to the salaries and/or benefits for an infection control nurse are to be expensed to the OA envelope.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.Prorating not applicable.
38	Staff Education/Program Coordinator	Maybe. Staff Education/ Program Coordinators undertaking work related to nursing and personal care education and programs may have hours prorated to NPC.	Yes. Staff Education/ Program Coordinators are primarily eligible under PSS unless they are undertaking duties under the umbrella of other envelopes.	No.	Maybe. Staff Education/ Program Coordinators undertaking work related to OA expenses (i.e., general safety and administrative education and programs) may have hours prorated to OA.	Maybe. The item may qualify under the criteria. Hours of work may be prorated dependent on work being performed. Funds from the OA envelope may be used to offset expenditures.	Yes The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	Maybe. The item may qualify under the criteria. Hours of work may be prorated dependent on work being performed.
39	Restorative Staff	Maybe. Restorative staff who perform nursing and personal care functions and who	Maybe. Restorative staff who provide support services directly to residents or conduct programs	No.	No.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		assess, plan, provide, assist, evaluate, and/or document the direct care required to meet the residents' assessed nursing and personal care requirements are eligible under NPC.	for the residents are eligible under PSS.			envelope may be used to offset expenditures.	expenditures.		
40	Ward Clerks	Yes. Ward Clerks, as Unit Clerks, are a component of NPC as they are part of the administrative team that help assess, plan, provide, assist, evaluate, and/or document the direct care required to meet the residents' assessed	No.	No.	No.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		nursing and personal care.							
41	Bed-making or resident feeding by Housekeeping staff	No.	No.	No.	Yes. Housekeeping staff perform housekeeping activities. By the OA definition, they are paid for out of the OA envelope. For an activity to be proratable the worker must be performing a task that is related to their primary job function.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
42	Membership fees & professional dues	No.	No.	No.	Yes. If the organization chooses to include this in the benefit package of employees, must be covered under OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
43	Nursing annual association dues	No.	No.	No.	Yes. if the service provider chooses to fund this as a benefit to their employees at their expense, it	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					may be charged to OA .				
44	Nursing Manuals	Yes. Manuals are allowable under education costs if a licensee can demonstrate that they are used to enhance nursing skills, which are part of the primary job function of NPC staff.	No.	No.	Yes. Any manuals not considered education material supporting the primary job function of NPC staff as per NPC definition (i.e. occupational health and safety, workplace standards, WSIB, HR activities) are exclusively eligible under OA.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that the Nursing Manuals: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintain and improve the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.Prorating not applicable.
45	Reference materials and periodicals for staff	Yes. Reference materials and periodicals are allowable under education costs if the home can	Yes. Reference materials and periodicals are allowable under education costs if the home can	No.	Yes. Any education material not supporting the primary job function of NPC	Yes. The item qualifies under the criteria. No prorating applicable,	Yes. The item qualifies under the criteria. No prorating applicable, however	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		demonstrate that they are used to enhance the skills used in the primary job function of the employee funded under the NPC envelope. These skills may differ depending on an individual's job description. Note: If the production of reference materials and periodicals requires the use of the home's general and administrative supplies, these supplies must still be purchased with funds from the OA envelope.	demonstrate that they are used to enhance skills used in the primary job function of the employee funded under the PSS envelope. These skills may differ depending on an individual's job description. Note: If the production of reference materials and periodicals requires the use of the home's general and administrative supplies, these supplies must still be purchased with funds from the OA envelope.		or PSS staff as per NPC and PSS definitions (i.e. books for a B.Sc., WSIB Manual, occupational health and safety, workplace standards) are exclusively eligible under OA.	however funds from the OA envelope may be used to offset expenditures. Also, a licensee could demonstrate that the periodicals (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintain and improve the productivity and effectiveness of staff.	funds from the OA envelope may be used to offset expenditures. Also, a licensee could demonstrate that the periodicals (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
46	ID badges & business cards for	No.	No.	No.	Yes.	N/A - Item not	N/A - Item not	N/A - Item	Yes. The item qualifies

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
	staff				Identification badges and business cards are eligible under general and administrative expenses required to support the operations of a home.	qualified under definition.	qualified under definition.	not qualified under definition.	under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
47	Staff recognition, service recognition awards	No.	No.	No.	Yes. If a home provides monetary or other awards for staff the licensee may classify the expense as a general expense of doing business (i.e., general and administrative expenses) under the OA envelope.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
48	Clinical consultants (in house & external)	Yes. If the clinical consultant is providing education services that enhances staff ability to fulfill their primary	Yes. If the clinical consultant is providing education services that enhances staff ability to fulfill their primary job functions or if the	No.	Yes. If the clinical consultant is not providing services to residents and providing training that does not support the	Yes - The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset	Yes - The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		job functions or if the clinical consultant is providing direct nursing, medical or personal care to residents or acting as a nurse administrator then the cost can be billed at an hourly rate as an NPC purchased service.	clinical consultant is providing support services directly to residents or conducts programs for the residents' direct participation then the cost can be billed at an hourly rate as a PSS purchased service.		fulfillment of the primary functions of staff in NPC or PSS then the expenditure is considered a general business expense eligible under OA.	expenditures. Also, a licensee should demonstrate that the clinical nursing consultant: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	demonstrate that the clinical consultant (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
49	Education	Yes. If the training or education enhances NPC staffs' ability to fulfill their primary job function (i.e. tasks outlined in an employee's job description) then the training or education, along with	Yes. If the training or education enhances PSS staffs' ability to fulfill their primary job function (i.e. tasks outlined in an employee's job description) then the training or education, along with reasonable attendance costs, may be allocated to the PSS	No.	Yes. If training and reasonable attendance costs relate to functions recognized under OA including: corporate policy, WHIMS, generalized workplace standards, union or human resource functions. Any training or	Yes - The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the expenditure: (a) maintain, enhance or improve the	Yes - The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the expenditure: (a) maintain, enhance or improve the provision of services, goods and programs to the	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		reasonable attendance costs, may be allocated to the NPC envelope.	envelope.		education that lies outside the job description of staff in NPC or PSS is considered a general and administrative business expense eligible under OA.. Continuing education or graduate/post-graduate degrees and certificates such as a B.Sc., or a Masters for any staff is only eligible under OA.	provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
50	Staff travel & mileage for meetings	Yes. Reasonable attendance costs are permitted for staff education and training sessions that are approved under NPC (See	Yes. Reasonable attendance costs are permitted for staff education and training sessions that are approved under PSS (See "Education" above). Please note that	No.	Yes. Most staff travel (i.e. general meetings, general training and education sessions, etc..) is considered an administrative expense and a general cost of	Yes - The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should	Yes - The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that the item: (a)	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		"Education", above). Please note that attendance costs associated with meetings that involve: (1) general and administrative issues or (2) education and training not eligible under NPC are OA expenses.	attendance costs associated with meetings that involve: (1) general and administrative issues or (2) education and training not eligible under PSS are OA expenses.		business and is therefore charged to OA.	demonstrate that the item: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
51	Staff travel to and from work	No.	No.	No.	Maybe. While the Ministry does not compensate for staff travel to and from work, if the licensee chooses to fund this type of staff travel as a benefit, they may do so out of surplus funds in OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
52	Staff travel & accommodation for employees shared among multiple homes	Maybe. NPC-eligible staff shared amongst LTC	Maybe. PSS-eligible staff shared amongst LTC homes of a	No.	Maybe. OA-eligible staff shared amongst LTC homes of a	Yes. The item qualifies under the criteria. No prorating	Yes. The item qualifies under the criteria. No prorating applicable, however	N/A - Item not qualified under	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

Item	Definition				Criteria			
	NPC	PSS	RF	OA	NPC	PSS	RF	OA
	homes of a single licensee are considered a non-arms length purchased service under the NPC envelope. Since the employee operates similar to a consultant, the billing rate charged to each home using that employee's services should be reflective of the costs incurred to provide it, which in some cases may include reasonable travel costs between homes (i.e. per kilometer rate defined by the CRA). Please	single licensee are considered a non-arms length purchased service under the PSS envelope. Since the employee operates similar to a consultant, the billing rate charged to each home using that employee's services should be reflective of the costs incurred to provide it, which in some cases may include reasonable travel costs between homes (i.e. per kilometer rate defined by the CRA). Please note that these employees are charged to PSS as a purchased service.		single licensee are considered a non-arms length purchased service under the OA envelope. Since the employee operates similar to a consultant, the billing rate charged to each home using that employee's services should be reflective of the costs incurred to provide it, which in some cases may include reasonable travel costs between homes (i.e. per kilometer rate defined by the CRA). Please note that these employees are charged to OA as a purchased service.	applicable as not equipment. Also, a licensee should demonstrate that the item: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the item: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	definition.	

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		note that these employees are charged to NPC as a purchased service.							
53	Sick leave accruals	No.	No.	No.	Yes. Sick leave accruals do not satisfy the definition of benefits and, therefore, sick leave accruals for all employees are classified as a general and administrative expense under the OA envelope.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
54	Wage accruals	Yes. Reasonable anticipated wage accruals and wage settlement accruals are permitted for NPC staff.	Yes. Reasonable anticipated wage accruals and wage settlement accruals are permitted for PSS staff.	No.	Yes. Reasonable anticipated wage accruals and wage settlement accruals are permitted for OA staff.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures on accruals.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures on accruals.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable.
55	Vacation accruals	Yes. Reasonable rates of	Yes. Reasonable rates of vacation accruals based on	No.	Yes. Reasonable rates of vacation accruals based	Yes. The item qualifies under the criteria. No	Yes. The item qualifies under the criteria. No prorating	N/A - Item not qualified	Yes. The item qualifies under the criteria. Prorating not

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		vacation accruals based on defined industry standards and GAAP are eligible for employees recognized under the NPC envelope may be charged to NPC. The Ministry will meet with LTCH stakeholders semi-annually to review and establish an industry standard for vacation accruals.	defined industry standards and GAAP are eligible for employees recognized under the PSS envelope may be charged to PSS. The Ministry will meet with LTCH stakeholders semi-annually to review and establish an industry standard for vacation accruals.		on defined industry standards and GAAP are eligible for employees recognized under the OA envelope may be charged to OA. The Ministry will meet with LTCH stakeholders semi-annually to review and establish industry standard for vacation accruals.	prorating applicable, however funds from the OA envelope may be used to offset expenditures on accruals.	applicable, however funds from the OA envelope may be used to offset expenditures on accruals.	under definition.	applicable.
56	Recruitment/advertisement/fairs	No.	No.	No.	Yes. Recruitment and associated activates are HR-related expenses. Human resources is considered a general and	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.

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	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					administrative expense when running any business with multiple employees.				
57	Legal fees regarding pay equity and/or dismissal/arbitration/letters written for employer by lawyer	No.	No.	No.	Yes. As an HR expense, this relates to a general and administrative cost of a home. See pg. 23 of the LTC home <i>Annual Report Technical Instructions and Guidelines</i> for more information.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
58	Retention Costs (i.e., structured compensation plans based on employee performance/ achievements)	Yes. Only if included in the definition of salary or benefit and related to NPC staff. Otherwise, must always be expensed to the OA envelope.	Yes. Only if included in the definition of salary or benefit and related to PSS staff. Otherwise, must always be expensed to the OA envelope.	No.	Yes. Any items not satisfying the definition of salaries and benefits must be expensed to the OA envelope as an HR expense relating to a general and administrative cost of a home.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable.
59	Volunteer recognition	No.	No.	No.	Yes. Volunteer	N/A - Item not	N/A - Item not	N/A - Item	Yes. The item qualifies

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					recognition is honoraria. Honoraria and donations are considered a general and administrative cost in OA.	qualified under definition.	qualified under definition.	not qualified under definition.	under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
60	Union Education Fund	No.	No.	No.	Yes. Union funds are a general and administrative expense and therefore an OA expense.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
61	WSIB administration costs (including WSIB claims consultants)	No.	No.	No.	Yes. Administration of WSIB claims is a general cost of doing business and therefore a general and administrative expense in the OA envelope.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
62	WSIB base premiums	Yes. The WSIB STANDARD BASE rate (standard premium) for NPC employees may be paid for out	Yes. The WSIB STANDARD BASE rate (standard premium) for PSS employees may be paid for out of the PSS envelope	No.	Yes. The WSIB STANDARD BASE rate (standard premium) for all employees other than recognized NPC and PSS	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also,	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable as the cost is mapped to the envelope from which the employee's compensation is paid.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		of the NPC envelope as an employee insurance benefit.	as an employee insurance benefit.		employees may be paid for out of the OA envelope as an employee insurance benefit.	used to offset expenditures. Also, a licensee should demonstrate that the expenditure: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	a licensee should demonstrate that the expenditure: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
63	WSIB - NEER Assessments (i.e. the annual surcharge or refund based on the individual employer's accident history)	Yes. The NEER surcharge attributable to NPC staff may be allocated to the NPC envelope.	Yes. The NEER surcharge attributable to PSS staff may be allocated to the PSS envelope.	No.	Yes. The NEER surcharge attributable to OA staff may be allocated to the OA envelope. In addition, the full amount of the NEER rebate may be allocated to the OA envelope even if it is attributable to NPC and PSS staff.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
SUPPLIES, EQUIPMENT AND RELATED CHARGES									
64	Canada Post, mailing stamps, courier & delivery service - all mailing supplies	No.	No.	No.	Yes. Mailing and courier services are by definition general and administrative expenses and therefore an OA expense.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
65	Adornments	No.	Yes. Decorations are, by default, an OA expense. However if there is documented evidence that the adornments are a part of a structured planned program (streamers at a resident social event that is part of residents' activity in a structured care plan) it may be considered a PSS expense. Art, centerpieces, and other general decorative elements for	No.	Yes. Decoration is a form of home maintenance and upgrade which is an eligible OA general and administrative expense.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
			activity rooms do not qualify unless they are created by residents as part of a documented and planned activity.						
66	Flowers and indoor plants	No.	Yes. Flower and indoor plants would have to be directly handled by residents as part of a structured care program (e.g., residents' gardening program) to be considered a PSS expense.	No.	Yes. Flowers and indoor plants can be considered improvements to the general appearance of the home which is an OA general and administrative expense.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures when they are used as part of a structured activity plan.Also, a licensee should demonstrate that the supplies: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
67	Cost associated with buying and maintaining fish (tanks, food), birds (cages, food) and other animals for the residence	No.	Maybe. If an animal is directly used in a documented and structured program or support service for residents it is a PSS expense.	No.	Yes. Animals that are used to create a calming or therapeutic environment (such as birds or fish present in a "calming room", activity room, or lobby) are considered improvements to the general atmosphere of the home like plants and adornments. As such, they are not used in a Program or Support Service and are therefore a general and administrative expense in the OA folder.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures..Also, a licensee should demonstrate that the supplies: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria.No prorating applicable.
68	General department supplies (i.e. "office supplies"): calendars & planners, pens, pencils, paper and toners	No.	No.	No.	Yes. These items are an OA expense as they are used in the general administration of a home.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
69	Identification bracelets (residents)	Yes. If the purpose is to assist a nurse in identifying a resident, then the cost relates to the personal care of the resident. This includes wrist bands and bed name plates. "Medic-alert" type bracelets are not considered identification equipment.	No.	No.	No.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that the bracelets: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintain and improve the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.
70	Medication for nursing stock	Yes. If it is a medical supply used in provision of direct care, OR if it is a prescribed over-the-counter drug	No.	No.	No.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		that is not funded by OHIP or the resident, then it may be charged to this envelope.				expenditures. Also, a licensee should demonstrate that the supplies: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.			
71	Phones at nursing station	No.	No.	No.	Yes. General administrative supplies and equipment are OA expenses.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
72	Outbreak & infection control supplies during an outbreak	Yes. If supplies are used for a resident or by staff when providing direct care to residents then the expenditure is eligible. (Note: These costs are	No.	No.	Yes. Any supply that is used for facility housekeeping or maintaining the building/premise during an outbreak or otherwise is an OA expense.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		covered under the standard per diem. Also, homes are compensated for the suspension of admissions during an outbreak).							
73	Portable sign rental for advertisements	No.	No.	No.	Yes. Advertisement is a general service as it deals with the home as a whole and is therefore an OA expense.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
74	Repairs and maintenance	Yes and No. Hourly repair rates and the cost of parts can be allocated to NPC for the repair of NPC equipment. However, FTEs and salaries and wages for service personnel cannot be allocated to NPC.	Yes and No. Hourly repair rates and the cost of parts can be allocated to PSS for the repair of PSS equipment. However, FTEs and salaries and wages for service personnel cannot be directly charged to this envelope.	No.	Yes. Salaries, wages, and benefits for any on-staff repair worker should be charged to OA. Hourly rates can be billed to departments for work completed.	Yes. The item qualifies under the criteria. Prorating hourly repair cost and parts between NPC and PSS allowed if on applicable items (i.e. computers). However, funds from the OA envelope may be used to offset expenditures on repairs and	Yes. The item qualifies under the criteria. Prorating hourly repair cost and parts between NPC and PSS allowed if on applicable items (i.e. computers). However, funds from the OA envelope may be used to offset expenditures on repairs and	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating is not applicable on OA equipment.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		directly charged to this envelope.				maintenance.Also, a licensee should demonstrate that the expenditures: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	maintenance.Also, a licensee should demonstrate that the expenditures: (a) maintain, enhance or improve the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
75	Paper towels used for nursing	No.	No.	No.	Yes. Paper towels are a housekeeping expense and therefore OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source.Prorating not applicable as only eligible in OA.
76	Toilet paper in resident rooms	No.	No.	No.	Yes. Toilet paper is a housekeeping expense and therefore OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
77	Positioning devices	Yes. Like restraints, positioning devices are	No.	No.	No.	Yes - The item qualifies under the criteria.No prorating	N/A - Item not qualified under definition.	N/A - Item not qualified under	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		equipment used in the provision of direct care to meet the nursing and personal care requirements of residents.				applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		definition.	
78	Tracks for resident lifts	Yes. Lifts are used by NPC staff in the provision of direct nursing and personal care. A lift seat is not able to function without a track and they are often sold as one unit	No.	No.	Yes. Structural changes to a home, such as reinforcing a ceiling to support a lift or lift tracks, is by definition an infrastructure upgrade and therefore an OA expense.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		<p>therefore both the lift and the track are eligible under the NPC envelope. Track installation may also be included in the NPC envelope with the exclusion of structural reinforcement or modifications to existing infrastructure. Any infrastructure-related costs (reinforcement, structural inspection) must be charged to OA. Homes may submit invoices at the time of purchase or through the LTC home Annual Report.</p>				<p>the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.</p>			

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		Homes must submit a detailed invoice from the vendor that illustrates the work performed and what instillation work was required through the LTC home Annual Report.							
79	Sanitizing machines used by front-line staff to sanitize bedpans, resident basins, urinals, k basins, etc.. to prevent and contain infection (e.g., MRSA, C Dificile)	No.	No.	No.	Yes. Sanitizing machines, as with similar cleaning items, are a housekeeping expense	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
80	Hand sanitizers	Yes. Hand sanitizers purchased for use in resident rooms are an NPC expense. Homes must keep separate invoices for hand sanitizer purchased for use in resident rooms and	No.	No.	Yes. Hand sanitizers for general/common areas of the home are an OA expense. Homes must keep separate invoices for hand sanitizer purchased for use in resident rooms and purchased for	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the expenditure:	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		purchased for general/ common areas			general/ common areas	(a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.			
81	Watchmate wanderguard bracelets and wrist strap watchlets	Yes. Wandering control devices are equipment used in assisting the direct care needed to meet the assessed medical and nursing requirements of residents. Note: Infrastructure and wires required to support this system qualifies as infrastructure and cannot be	No.	No.	No.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		charged to the NPC envelope.				improves the productivity and effectiveness of staff.			
82	Restraints	<p>Yes. Restraints, when necessary, protect the resident from harming others or themselves. The <i>Long-Term Care Homes Act, 2007</i> specifies the conditions under which restraints may be used. The Act seeks to ensure that restraints are used as a last resort. Restraints are therefore equipment used in the provision of direct medical, nursing, and personal care.</p>	No.	No.	No.	<p>Yes. The item qualifies under the criteria.</p> <p>No prorating applicable, however funds from the OA envelope may be used to offset expenditures.</p> <p>Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.</p>	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
83	Sensor pads for beds and wheelchairs	Yes. Sensor pads for beds and wheelchairs are equipment used in assisting the direct care needed to meet the assessed medical and nursing requirements of residents.	No.	No.	No.	Yes - The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures.Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.
84	Staff on-duty signs	No.	No.	No.	Yes. Item is a general and administrative cost of doing business and therefore an OA expense.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria as it is not funded by another source.Prorating not applicable as only eligible in OA.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
85	Transportation/van costs	No.	Yes. A rental or taxiing service can be charged to PSS if it can be demonstrated that the rental is part of a structured program (i.e. offsite trip). However, if a licensee owns a van, its use can be charged to PSS as an interdepartmental recovery equal to the per km rate defined by CRA.	No.	Yes. Long-term rentals, leasing, vehicle purchases and/or vehicle maintenance charges should be charged to the OA envelope as they qualify as an infrastructure cost essential to running the business.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures costs if necessary.Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.Prorating not applicable.
86	Water heater and cooler	No.	No.	No.	Yes. This is a cost of operating a business building and is categorized as a building and property expense in OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
87	Wheelchairs	No.	No.	No.	Yes.	N/A - Item not	N/A - Item not	N/A - Item	Yes. The item qualifies

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
					Wheelchairs that are not prescribed (general use) may be considered furniture which is an OA general and administrative expense.	qualified under definition.	qualified under definition.	not qualified under definition.	under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
88	Wheelchair washer	No.	No.	No.	Yes. Cleaning equipment represents housekeeping costs under OA.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
89	H1N1 vaccination costs	Yes. The cost of nursing or medical professionals assigned to the H1N1 vaccination clinics restricted to immunizing only staff and residents may be expensed to NPC.	No.	No.	No.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.
MISCELLANEOUS									
90	Bingo prizes	No.	Yes. If the goal of	No.	No. Bingo prizes		Yes. The item	N/A - Item	N/A - Item not qualified

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
			an activity is to introduce friendly competition to receive a token reward, then it is irreplaceable in the provision of support services and programs so long as it complies to the criteria and compliance standards.		are not eligible under OA if they form part of a structured PSS program.		qualifies under the criteria.No prorating applicable, however funds from the OA envelope may be used to offset expenditures on bingo prizes if necessary.Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.	not qualified under definition.	under definition.
91	Donations and honorariums	No.	Yes. However, this only applies under one instance: if a home pays for a service provided by a charitable organization and does not receive a	No.	Yes. While donations and honorariums go above and beyond standard salaries, wages and non-taxable benefits allowed under OA, they	N/A - Item not qualified under definition.	Yes (for the programs that meet the PSS definition). The item qualifies under the criteria.No prorating applicable, however funds from the OA	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria.Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
			charitable-tax receipt, the expenditure is admissible. Otherwise, traditional donations and honorariums go above and beyond standard salaries, wages, purchased services, and non-taxable benefits that are typically allowed under PSS and are therefore inadmissible.		may constitute general administrative costs eligible under OA.		envelope may be used to offset expenditures. Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
92	HINF claims for a particular resident (Not general nursing costs)	Yes. Only if the item meets the definition of NPC (i.e., qualifies as a staff providing direct medical, nursing or personal care and/or qualifies as a supply or equipment used in the provision of	No.	No.	Yes. If an item is above and beyond what is available under NPC and is not covered under HINF then it should be charged under OA envelope.	Yes. Only if the item was not reimbursed under HINF.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. Items above and beyond what is available under NPC and is not covered under HINF then it qualifies under the criteria for OAProration not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		direct medical care). However, it should be noted that this expense would need to be reported under the year in which it was incurred. (Note: Consistent with the LTC home <i>Annual Report Technical Instructions and Guidelines</i> , the expense must be incurred in the same calendar year).							
93	Home's anniversary celebration expenses	No.	Yes. Resident activities under the theme of "Home Anniversary" may be charged to the PSS envelope but only if they are part of a documented and structured activity	Yes. The resident food portion should be expensed to RF unless it meets the agreed-upon criteria to charge it to PSS.	Yes. Advertisements, food, drinks, and/or supplies for staff, volunteers, family and/or the public should be charged to OA as they represent general and	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures.	Yes. The item qualifies under the criteria. No prorating allowed in RF envelope.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
			plan. Only supplies utilized for or consumed by residents are eligible under this envelope, including food if it does not replace a meal in whole or in part, is not a beverage, and is part of a structured program.		administrative expenses.		Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
94	Residents and staff special events	No.	Yes. A resident programming portion of special events can be charged to PSS if it is part of a structured resident care plan. Food consumed by residents in a PSS-approved event may also be charged if it is not a beverage or food that partially or wholly replaces	Yes. The resident food portion should be charged to Raw Food unless it represents food that goes above and beyond the resident meal plan (see above).	Yes. If the event involves staff food or entertainment, this portion should be charged to OA as it is an employee perk above and beyond established salaries, wages, and benefits.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or	Yes. The item qualifies under the criteria. No prorating allowed in RF.	Yes. The item qualifies under the criteria. Prorating not applicable.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
			a regularly planned meal.				improves the provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.		
95	Lab claims	No.	No.	No.	Yes. Could be expensed as a general cost of business (general and administrative cost centre).	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes - The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.
96	Specialized disposal services for Bio-Hazard Waste	Yes. Biomedical waste is a result of medical, nursing and personal care. Furthermore, proper disposal promotes the health and safety of residents. It meets the definition of NPC as	No.	No.	No.	Yes. The item qualifies under the criteria. No prorating applicable, however funds from the OA envelope may be used to offset expenditures. Also, a licensee should demonstrate that the expenditure: (a) maintains, enhances or improves the	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.

List of Clarified LTCH "Gray Area" Expenditures

	Item	Definition				Criteria			
		NPC	PSS	RF	OA	NPC	PSS	RF	OA
		outlined in the Guideline.				provision of services, goods and programs to the resident(s); and (b) maintains and improves the productivity and effectiveness of staff.			
97	Plastic bags to wrap soiled incontinence products, bedpan liners, and sanitary napkins.	No.	No.	No.	Yes. Plastic bags, like garbage bags, are housekeeping expenses and are by definition an OA expense.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	N/A - Item not qualified under definition.	Yes. The item qualifies under the criteria as it is not funded by another source. Prorating not applicable as only eligible in OA.

