



Presentation to City of Peterborough Budget Committee – January 13, 2015

Joy L. Husak, CEO and Lionel Towns, Director of Finance and IT

Case Mix Index (CMI)

- CMI is a numerical measure of the level of needs/interventions (or “acuity”) of Homes’ Residents
- Complex formula is applied to raw data that is entered by Fairhaven staff into Canadian Institute for Health Information (CIHI) database
- CMI Percentage is applied to Nursing and Personal Care per diem funding to determine final “adjusted funding”
- Provincial formula utilizes data primarily from 2013 to estimate the funding necessary for the majority of the 2015 calendar year.

CMI Decreases

- CMI percentage for 2013/2014 funding year decreased by 5.8%
- Fairhaven received a further decrease of 2.4% for 2014/2015
- Cumulative value of decreases has been greater than \$1 Million
- CMI funding percentage for 2014/2015 is 13% lower than our most up to date CMI numbers
- Increases are capped at 5%
- Will be 2017/2018, at the earliest, before CMI percentage reaches 2012 level

Response to Fiscal Pressures

- Thorough examination of all areas of Fairhaven operations
- Cumulative value of expenditure reductions has been greater than \$1 Million
- Some reductions are not sustainable
- Fairhaven must adhere to MOHLTC and Long Term Care Home Act (LTCHA) standards of care and operation
- Sector is highly regulated - resources required to meet Ministry standards continues to climb without offsetting funding

Current Funding Support and Benchmarking

- According to the last available benchmarking data, Fairhaven is one of only two municipal Home's in the Province to operate without on-going operating budget support (\$679,074 in prior years budget documents related to Home rebuild in 2003)
- The average operating support (**not including capital costs**), for a Home with the same number of beds, is **\$4.2 Million**
- Comparatively, **2015 budget request for operating budget support is for \$333,000**



Thank You