

# LONG-TERM CARE HOME SERVICE ACCOUNTABILITY AGREEMENT

For the Period: July 1, 2010 – March 31, 2013

## Index to Agreement

ARTICLE	TOPIC	PAGE
1	Definitions & Interpretation	3
2	Term & Nature of the Agreement	5
3	Provision of Services	5
4	Funding	6
5	Adjustment of Funding	8
6	Planning & Integration	9
7	Performance Improvement Process	11
8	Reporting, Accounting and Review	12
9	Acknowledgement of LHIN Support	15
10	Representations, Warranties and Covenants	16
11	Limitation of Liability, Indemnity & Insurance	17
12	Termination of Agreement	19
13	Notice	21
14	Interpretation	22
15	Additional Provisions	22
16	Entire Agreement	25
	<b>Schedules</b>	
A	Description of Home and Services	
B	Additional Terms and Conditions by Bed-type	
C	Terms and Conditions Applicable to the Funding	
D	Reporting Requirements	
E	Performance	
F	List of Policies, Guidelines, Directives, Standards and Tools Applicable to the HSP, the Home and the Services	
G	Project Agreement Template	

**THIS SERVICE ACCOUNTABILITY AGREEMENT** effective as of July 1, 2010

**B E T W E E N:**

**NORTH EAST LOCAL HEALTH INTEGRATION NETWORK** (the "LHIN")

**AND**

**EXTENDICARE (CANADA) INC.** (the "HSP")

**IN RESPECT OF:**

Extendicare/Tri-Town located at  
143 Bruce Street, Haileybury, ON, P0J 1K0 (the "Home")

**Background:**

Ontarians believe in public accountability and transparency to demonstrate that the health system is governed and managed in a way that reflects the public interest and that promotes continuous quality improvement and efficient delivery of high quality health services to all Ontarians. To this end, the government of the Province of Ontario, through the enactment of the Local Health System Integration Act ("LHSIA") made local health integration networks accountable to the Minister for the performance of local health systems and their health services, including access to services and the utilization, co-ordination, integration and cost-effectiveness of services.

The HSP owns and operates the Home pursuant to the authority of a licence or an approval issued under the *Long-Term Care Homes Act, 2007* (the "Act").

The LHIN is the local health integration network responsible for the planning, funding and integration of health care services in the area in which the Home is located. Recognizing the important role played by the HSP in the provision of health services within the LHIN, and the LHIN's dependence on the HSP's continuing performance to enable the LHIN to meet its accountabilities to the Minister, the LHIN wishes to provide funding to the HSP to enable it to operate the Home. By law, the LHIN is required to enter into a service accountability agreement that enables it to meet its obligations under LHSIA, with all health service providers that it proposes to fund.

This Agreement is a service accountability agreement. It sets out the terms on which the LHIN will provide funding to the HSP and the performance obligations of the HSP in return for that funding. It promotes continuous quality improvement and the efficient delivery of high quality health services to all Ontarians and it reflects Ontario's quality transformation agenda currently underway in the long term care home service sector.

## ARTICLE 1- DEFINITIONS & INTERPRETATION

**1.1 Definitions.** In the Agreement the following terms will have the following meanings:

**“Act”** means the *Long-Term Care Homes Act, 2007* and the regulations made under the *Long Term Care Homes Act, 2007* as it and they may be amended from time to time;

**“Accountability Agreement”** refers to the agreement in place between the Minister and the LHIN pursuant to the terms of s. 18 of LHSIA;

**“Agreement”** means this service accountability agreement and includes the Schedules and any instrument amending this agreement or the Schedules;

**“Annual Balanced Budget”** has the meaning set out in s. 4.2(b);

**“Applicable Law”** means all federal, provincial or municipal laws, order, regulations, common law, licence terms or by-laws and includes terms or conditions of a licence or approval issued under the Act, that are applicable to the HSP, the Services, this Agreement and the Parties' obligations under this Agreement during the term of this Agreement;

**“Applicable Policy”** means any orders, rules, policies, directives or standards of practice issued by the MOHLTC or other ministries or agencies of the province of Ontario that are applicable to the HSP, the Services, this Agreement and the Parties' obligations under this Agreement during the term of this Agreement. Without limiting the generality of the foregoing, Applicable Policy includes the Design Manual and the Long Term Care Funding and Financial Management Policies and other documents identified in Schedule F.

**“Approved Funding”** has the meaning ascribed to it in Schedule C;

**“Beds”** means the long term care home beds that are licensed or approved under the Act and identified in Schedule A, as the same may be amended from time to time;

**“CFMA”** means the *Commitment to the Future of Medicare Act, 2004*, and the regulations made under the *Commitment to the Future of Medicare Act, 2004*, as it and they may be amended from time to time;

**“Construction Funding Subsidy”** has the meaning ascribed to it in Schedule C;

**“Days”** means calendar days;

**“Design Manual”** means the MOHLTC design manual in effect and applicable to the development, upgrade, retrofit or redevelopment of the Home or Beds subject to this Agreement;

**“Director”** has the same meaning as the term “Director” in the Act;

**“Effective Date”** means July 1, 2010;

**"Funding"** means the funding provided by the LHIN to the HSP in each Funding Year of this Agreement. Funding includes Approved Funding, Construction Funding Subsidy and Project Funding;

**"Funding Year"** means in the case of the first Funding Year, the period commencing on the January 1 prior to the Effective Date and ending on the following December 31, and in the case of Funding Years subsequent to the first Funding Year, the period commencing on the date that is January 1 following the end of the previous Funding Year and ending on the following December 31;

**"Home"** means the building where the Beds are located and for greater certainty, includes the Beds and the common areas and common elements which will be used at least in part, for the Beds, but excludes any other part of the building which will not be used for the Beds being operated pursuant to this Agreement;

**"Interest Income"** has the meaning set out in 4.2(c);

**"LAPS"** means the HSP's Long-Term Care Home Accountability Planning Submission;

**"Licence"** means one or more the licences granted under Part VII of the Act or one or more the approvals granted under Part VIII of the Act that is held by the HSP;

**"LHSIA"** means the *Local Health System Integration Act, 2006* and the regulations under the *Local Health System Integration Act, 2006* as it and they may be amended from time to time;

**"Minister"** means the Minister of Health and Long-Term Care;

**"MOHLTC"** means the Minister or the Ministry of Health and Long-Term Care, as is appropriate in the context;

**"Party"** means either of the LHIN or the HSP and "Parties" mean both of the LHIN and the HSP;

**"Project Agreement"** means an agreement in the form of Schedule G that incorporates the terms of this Agreement;

**"Project Funding"** is a Funded Service and has the meaning ascribed to it in Schedule G;

**"Reports"** means the reports described in Schedule D. as well as any other reports or information required to be provided under this Agreement;

**"Resident"** has the meaning ascribed to the term "resident" under the Act;

**"Schedule"** means any one of, and **"Schedules"** mean any two or more, as the context requires, of the schedules incorporated into this Agreement and includes:

- A. Description of Home and Services
- B. Additional Terms and Conditions by Bed Type
- C. Terms and Conditions Applicable to the Funding

- D. Reporting Requirements
- E. Performance
- F. List of Policies, Guidelines, Directives, Standards and Tools Applicable to the HSP, the Home and the Services
- G. Project Agreement Template

**“Services”** means the operation of the Beds and the Home and the accommodation, care, programs, goods and other services that are provided to residents (i) to meet the requirements of the Act; (ii) to obtain Approved Funding or Project Funding; and (iii) to fulfill all commitments made to obtain a Construction Funding Subsidy.

- 1.2 Interpretation.** Words in the singular include the plural and vice-versa. Words in one gender include both genders. The headings do not form part of the Agreement. They are for convenience of reference only and will not affect the interpretation of the Agreement. Terms used in the Schedules shall have the meanings set out in this service accountability agreement unless separately and specifically defined in a Schedule in which case the definition in the Schedule shall govern for the purposes of that Schedule.

## **ARTICLE 2 - TERM AND NATURE OF THE AGREEMENT**

- 2.1 Term.** The term of the Agreement will commence on the Effective Date and will expire on the earlier of (i) March 31, 2013 or (ii) the expiration or termination of all Licences, unless this Agreement is terminated earlier or extended pursuant to its terms.
- 2.2 A Service Accountability Agreement.** This Agreement is a service accountability agreement for the purposes of subsection 20(1) of LHSIA and Part III of the CFMA.
- 2.3 Notice.** Notice was given to the HSP that the LHIN intended to enter into this Agreement. The HSP hereby acknowledges receipt of such Notice in accordance with the terms of the CFMA.
- 2.4 Prior Agreements.** The parties acknowledge and agree that all prior agreements for the Services are terminated.

## **ARTICLE 3 - PROVISION OF SERVICES**

### **3.1 Provision of Services.**

- (a) The HSP will provide the Services in accordance with:
- (i) this Agreement;
  - (ii) Applicable Law; and
  - (iii) Applicable Policy.
- (b) Unless otherwise provided in this Agreement, the HSP will not reduce, stop, start, expand, cease to provide or transfer the provision of the Services except with Notice to

the LHIN and if required by Applicable law, the prior written consent of the LHIN.

(c) The HSP will not restrict or refuse the provision of Services to an individual, directly or indirectly, based on the geographic area in which the person resides in Ontario.

### **3.2 Subcontracting for the Provision of Services.**

(a) The Parties acknowledge that, subject to the provisions of the Act, or LHSIA, the HSP may subcontract the provision of some or all of the Services. For the purpose of this Agreement, actions taken or not taken by the subcontractor and Services provided by the subcontractor will be deemed actions taken or not taken by the HSP and Services provided by the HSP.

(b) When entering into a subcontract the HSP agrees that the terms of the subcontract will enable the HSP to meet its obligations under this Agreement. Without limiting the foregoing, the HSP will include a provision that permits the LHIN or its authorized representatives, to audit the subcontractor in respect of the subcontract if the LHIN or its authorized representatives determines that such an audit would be necessary to confirm that the HSP has complied with the terms of this Agreement.

(c) Nothing contained in this Agreement or a subcontract will create a contractual relationship between any subcontractor or its directors, officers, employees, agents, partners, affiliates or volunteers and the LHIN.

**3.3 E-health/Information Technology Compliance.** The HSP agrees to comply with any technical standard related to architecture, technology, privacy and security set for health service providers by the MOHLTC, e-Health Ontario or the LHIN within the timeframes set by the MOHLTC or the LHIN as the case may be.

**3.4 Applicable Policies,** Either the LHIN or the MOHLTC will give the HSP Notice of any amendments to the manuals, guidelines or policies identified in Schedule F. Amendments will be effective on the first Day of April following the receipt of the Notice or on such other date as may be advised by the LHIN or MOHLTC as the case may be. By signing a copy of this Agreement the HSP acknowledges that it has a copy of the manuals, guidelines or policies identified in Schedule F.

## **ARTICLE 4 - FUNDING**

**4.1 Funding.** Subject to the terms of this Agreement, and in accordance with the applicable provisions of the Accountability Agreement, the LHIN will provide the Funding by depositing the Funding in monthly instalments over the Term, into an account designated by the HSP provided that the account resides at a Canadian financial institution and is in the name of the HSP.

### **4.2 Conditions of Funding**

(a) The HSP will:

- (i) use the Funding only for the purpose of providing the Services in accordance with the terms of this Agreement;
- (ii) use the Construction Funding Subsidy in accordance with the applicable Construction Funding Subsidy policy;
- (iii) meet all obligations in the Schedules;
- (iv) fulfill all other obligations under this Agreement; and
- (iv) maintain an Annual Balanced Budget.

(b) "Annual Balanced Budget" means that, in each calendar year of the term of this Agreement, the total expenses of the HSP in respect of the Services are less than or equal to the total revenue of the HSP in respect of the Services.

(c) Interest earned on the Funding ("Interest Income") will be reported to the LHIN and is subject to a year-end reconciliation. The LHIN may deduct the amount equal to the Interest Income from any further funding instalments under this or any other agreement with the HSP; or the LHIN may require the HSP to pay an amount equal to the unused Interest Income to the Ministry of Finance.

**4.3 Limitation on Payment of Funding.** Despite section 4.1, the LHIN:

- (i) will not provide any funds to the HSP until the Agreement is fully executed;
- (ii) may pro-rate the Funding if the Agreement is signed after the Effective Date;
- (iii) will not provide any funds to the HSP until the HSP meets the insurance requirements described in section 11.5;
- (iv) will not be required to continue to provide funds
  - (a) if the Minister or the Director so directs under the terms of the Act; or
  - (b) while the Home is under the control of an Interim Manager pursuant to s. 157 of the Act; and
- (iv) may adjust the amount of funds it provides to the HSP in any Funding Year pursuant to Article 5.

**4.4 Additional Funding.** Unless the LHIN has agreed to do so in writing, the LHIN is not required to provide additional funds to the HSP for providing services other than the Services or for exceeding the requirements of Schedule E.

**4.5 Additional Terms and Conditions.** The LHIN may add such further terms or conditions on the use of the Funding as are required for the LHIN to meet its obligations under the Accountability Agreement, Applicable Law or Applicable Policy as the same may be amended during the Term.

**4.6 Appropriation.** Funding under this Agreement is conditional upon an appropriation of

moneys by the Legislature of Ontario to the MOHLTC and funding of the LHIN by the MOHLTC pursuant to LHSIA. If the LHIN does not receive its anticipated funding the LHIN will not be obligated to make the payments required by this Agreement.

- 4.7 Procurement of Goods and Services.** Unless otherwise required or prescribed in Applicable Law or Applicable Policy, the HSP will have a procurement policy in place that requires the acquisition of supplies, equipment or services through a competitive process that ensures the best value for funds expended. If the HSP acquires supplies, equipment or services with the Funding it will do so through a process that is consistent with this policy.
- 4.8 Disposition.** The HSP will not sell, lease or otherwise dispose of any assets purchased with Funding, except as may be required by Applicable Law or otherwise in accordance with Applicable Policy.

## ARTICLE 5 – ADJUSTMENT OF FUNDING

### 5.1 Adjustment of Funding.

- (a) The LHIN may adjust the Funding in any of the following circumstances:
- (i) in the event of changes to Applicable Law or Applicable Policy that affect Funding;
  - (ii) on a change to the Services;
  - (iii) if required by either the Director or the Minister under the Act;
  - (iv) in the event that a breach of the Agreement is not remedied to the satisfaction of the LHIN; and
  - (v) as otherwise permitted by this Agreement.
- (b) Approved Funding and Project Funding already expended properly in accordance with this Agreement will not be subject to adjustment. The LHIN will, at its sole discretion, and without liability or penalty, determine whether the Funding has been expended properly in accordance with this Agreement.
- (c) In determining the amount of a funding adjustment under 5.1 (a) (iv) or (v), LHIN shall take into account the following principles:
- (i) resident care must not be compromised through a funding adjustment arising from a breach of this Agreement;
  - (ii) the HSP should not gain from a breach of this Agreement;
  - (iii) if the breach reduces the value of the Services, the funding adjustment should be at least equal to the reduction in value; and
  - (iv) the funding adjustment should be sufficient to encourage subsequent compliance with the Agreement;

and such other principles as may be articulated in Applicable Law or Applicable Policy from time to time.

**5.2 Provision for the Recovery of Funding.** The HSP will make reasonable and prudent provision for the recovery by the LHIN of any Funding for which the conditions of Funding set out in subsection 4.2(a) are not met and will hold this Funding in an interest bearing account until such time as reconciliation and settlement has occurred with the LHIN.

**5.3 Settlement and Recovery of Funding for Prior Years.**

(a) The HSP acknowledges that settlement and recovery of Funding can occur up to seven years after the provision of Funding.

(b) Recognizing the transition of responsibilities from the MOHLTC to the LHIN, the HSP agrees that if the Parties are directed in writing to do so by the MOHLTC, the LHIN will settle and recover on behalf of the MOHLTC, and the HSP will enable the recovery of funding provided to the HSP by the MOHLTC from 2000 – 2007. All such settlements and recoveries will be subject to the terms applicable to the original provision of funding.

**5.4 Debt Due.**

(a) If the LHIN requires the re-payment by the HSP of any Funding the amount required will be deemed to be a debt owing to the LHIN by the HSP. The LHIN may adjust future funding instalments to recover the amounts owed or may, at its discretion, direct the HSP to pay the amount owing to the LHIN and the HSP shall comply immediately with any such direction.

(b) All amounts repayable to the LHIN will be paid by cheque payable to the "Ontario Minister of Finance" and delivered to the LHIN at the address provided in section 13.1.

**5.5 Interest Rate.** The LHIN may charge the HSP interest on any amount owing by the HSP at the then current interest rate charged by the Province of Ontario on accounts receivable.

## ARTICLE 6.0 – PLANNING & INTEGRATION

**6.1 Planning for Future Years.**

(a) **Advance Notice.** The LHIN will give at least sixty Days Notice to the HSP of the date by which a LAPS, approved by the HSP's governing body, must be submitted to the LHIN.

(b) **Multi-Year Planning.** The LAPS will be in a form acceptable to the LHIN and will incorporate (i) prudent multi-year financial forecasts; (ii) plans for the achievement of performance targets; and (iii) realistic risk management strategies. It will be aligned with

the LHIN's Integrated Health Service Plan and will reflect local LHIN priorities and initiatives. If the LHIN has provided multi-year planning targets for the HSP, the LAPS will reflect the planning targets.

(c) **Multi-year Planning Targets.** The Parties acknowledge that the HSP is not eligible to receive multi-year planning targets under the terms of Schedule C in effect as of the Effective Date. In the event that Schedule C is amended over the Term and the LHIN is able to provide the HSP with multi-year planning targets, the HSP acknowledges that these targets are: (A) targets only, (B) provided solely for the purposes of planning, (C) are subject to confirmation and (D) may be changed at the discretion of the LHIN. The HSP will proactively manage the risks associated with multi-year planning and the potential changes to the planning targets. The LHIN agrees that it will communicate any material changes to the planning targets as soon as reasonably possible.

(d) **Service Accountability Agreements.** Subject to advice from the Director about the HSP's history of compliance under the Act and provided that the HSP has fulfilled its obligations under this Agreement, the parties expect that they will enter into a new service accountability agreement at the end of the Term. The LHIN will give the HSP at least six months Notice if the LHIN does not intend to enter into negotiations for a subsequent service accountability agreement because the HSP has not fulfilled its obligations under this Agreement. The HSP acknowledges that if the LHIN and the HSP enter into negotiations for a subsequent service accountability agreement, subsequent funding may be interrupted if the next service accountability agreement is not executed on or before the expiration date of this Agreement.

## **6.2 Community Engagement & Integration Activities**

(a) **Community Engagement.** The HSP will engage the community of diverse persons and entities in the area where it provides health services when setting priorities for the delivery of health services and when developing plans for submission to the LHIN including but not limited to the HSP's LAPS and integration proposals.

(b) **Integration.** The HSP will, separately and in conjunction with the LHIN and other health service providers, identify opportunities to integrate the services available to the local health system to provide appropriate, coordinated, effective and efficient services.

(c) **Reporting.** The HSP will report on its community engagement and integration activities as requested by the LHIN.

## **6.3 Planning and Integration Activity Pre-proposals**

(a) **General:** A pre-proposal process has been developed to (i) reduce the costs incurred by an HSP when proposing operational or service changes; (ii) facilitate the HSP in carrying out its statutory obligations; and (iii) enable an effective and efficient response by the LHIN. Subject to specific direction from the LHIN, this pre-proposal process will be used in the following instances:

(i) the HSP is considering an integration, or an integration of services, as defined in LHSIA between the HSP and another person or entity;

- (ii) the HSP is proposing to reduce, stop, start, expand or transfer the location of services;
- (iii) to identify opportunities to integrate the services of the local health system, other than those identified in (i) or (ii) above; or
- (iv) if requested by the LHIN.

(b) **LHIN Evaluation of the Pre-proposal:** Use of a pre proposal process is not formal Notice of a proposed integration under s. 27 of LHSIA. LHIN consent to develop the project concept outlined in a pre-proposal does not constitute approval to proceed with the project. Nor does LHIN consent presume the issuance of a favourable decision, should such a decision be required by section 25 or 27 of LHSIA. Following the LHIN's review and evaluation, the HSP may be invited to submit a detailed proposal and a business plan for further analysis. Guidelines for the development of a detailed proposal and business case will be provided by the LHIN.

**6.4 Proposing Integration Activities in the Planning Submission.** No integration activity described in subsection 6.3 may be proposed in a LAPS unless the LHIN has consented, in writing, to its inclusion pursuant to the process set out in 6.3.

**6.5 Definitions.** In this section 6.0 the terms "integrate", "integration" and "services" have the same meanings attributed to them in subsection 2(1) and section 23 respectively of LHSIA.

## ARTICLE 7.0 – PERFORMANCE IMPROVEMENT PROCESS

**7.1 Performance.** The Parties will strive to achieve on-going performance improvement. They will address performance improvement in a proactive, collaborative and responsive manner.

**7.2 Performance Factors.**

(a) A "Performance Factor" is any matter that could, or will, significantly affect a Party's ability to fulfil its obligations under this Agreement;

(b) Each Party will notify the other Party of the existence of a Performance Factor, as soon as reasonably possible after the Party becomes aware of the Performance Factor. The Notice will:

- (i) describe the Performance Factor and its actual or anticipated impact;
- (ii) include a description of any action the Party is undertaking, or plans to undertake, to remedy or mitigate the Performance Factor;
- (iii) indicate whether the Party is requesting a meeting to discuss the Performance Factor; and
- (iv) address any other issue or matter the Party wishes to raise with the other Party.

(c) The recipient Party will provide a written acknowledgment of receipt of the Notice within seven Days of the date on which the Notice was received ("Date of the Notice").

(d) Where a meeting has been requested under 7.2(b) the Parties agree to meet and discuss the Performance Factors within fourteen Days of the Date of the Notice, in accordance with the provisions of subsection 7.3.

### **7.3 Performance Meetings**

(a) During a meeting on performance, the Parties will:

- (i) discuss the causes of a Performance Factor;
- (ii) discuss the impact of a Performance Factor on the local health system and the risk resulting from non-performance; and
- (iii) determine the steps to be taken to remedy or mitigate the impact of the Performance Factor (the "Performance Improvement Process").

**7.4 The Performance Improvement Process.** The Performance Improvement Process will focus on the risks of non-performance and problem-solving. It may include one or more of:

- (i) a requirement that the HSP develop and implement an improvement plan acceptable to the LHIN;
- (ii) a revision and amendment of the HSP's obligations; and or
- (iii) an in-year, or year end, adjustment to the Funding;

among other possible means of responding to the Performance Factor or improving performance.

## **ARTICLE 8 - REPORTING, ACCOUNTING AND REVIEW**

### **8.1 Reporting**

(a) **Generally.** The LHIN's ability to enable its local health system to provide appropriate, co-ordinated, effective and efficient health services as contemplated by LHSIA, is heavily dependent on the timely collection and analysis of accurate information. The HSP acknowledges that the timely provision of accurate information related to the HSP is under the HSP's control.

(b) **Specific Obligations.** The HSP

- (i) will provide to the LHIN, or to such other entity on behalf of the LHIN as the LHIN may direct, in the form and within the time specified by the LHIN, the plans, reports, financial statements and other information, other than personal health information as defined in subsection 31 (5) of the *CFMA*, that (i) the LHIN requires for the purposes of exercising its powers and duties under this Agreement, LHSIA or for the purposes that are prescribed under LHSIA, or (ii) may be requested under the *CFMA*;

- (ii) if OHRS/MIS compliant will comply with the reporting standards and requirements in Chapter 9 of the Ontario Health Reporting Standards
  - (iii) will fulfill the specific reporting requirements set out in Schedule D;
  - (iv) will ensure that all information is complete, accurate, provided in a timely manner and in a form satisfactory to the LHIN; and
  - (v) agrees that all information submitted to the LHIN by or on behalf of the HSP, will be deemed to have been authorized by the HSP for submission.
- (c) **RAI/MDS.** The HSP will
- (i) conduct quarterly assessments of Residents, and all other assessments of Residents required under the Act, using a standardized Resident Assessment Instrument - Minimum Data Set (RAI-MDS) 2.0 tool in accordance with the RAI-MDS Practice Requirements included in Schedule F and will submit RAI-MDS 2.0 assessment data to the Canadian Institute for Health Information (CIHI) in an electronic format at least quarterly in accordance with the submission guidelines set out by CIHI; and
  - (ii) have systems in place to regularly monitor and evaluate the RAI-MDS data quality and accuracy.
- (d) **French Language Services.** If the HSP is required to provide services to the public in French under the provisions of the *French Language Services Act*, the HSP will be required to submit a French language implementation report to the LHIN. If the HSP is not required to provide services to the public in French under the provisions of the *French Language Service Act*, it will be required to provide a report to the LHIN that outlines how the HSP addresses the needs of its local Francophone community.
- (e) **Financial Reductions.** Notwithstanding any other provision of this Agreement, and at the discretion of the LHIN, the HSP may be subject to a financial reduction in any of the following circumstances:
- (i) its LAPS is received after the due date;
  - (ii) its LAPS is incomplete;
  - (iii) the quarterly performance reports are not provided when due; or
  - (iv) financial and/or clinical data requirements are late, incomplete or inaccurate,

where the errors or delay were not as a result of LHIN actions or inaction. If assessed, the financial reduction will be taken from funding designated for this purpose in Schedule C as follows:

- (v) if received within 7 days after the due date, incomplete or inaccurate, the financial penalty will be the greater of (i) a reduction of 0.02 percent (0.02%) of the Funding; or (ii) two hundred and fifty dollars (\$250.00); and

- (vi) for every full or partial week of non-compliance thereafter, the rate will be one half of the initial reduction.

## **8.2 Audits and other Reviews.**

(a) During the term of this Agreement and for seven (7) years after the term of this Agreement, the HSP agrees that the LHIN or its authorized representatives may conduct a financial or operational audit or other form of review of the HSP to confirm the HSP's fulfillment of its obligations under this Agreement, and for these purposes the LHIN or its authorized representatives may:

- (i) inspect and copy any financial records, invoices and other financially-related documents, other than personal health information as defined in subsection 31 (5) of the *CFMA*, in the possession or under the control of the HSP which relate to the Funding or otherwise to the Services; and
- (ii) inspect and copy non-financial records, other than personal health information as defined in subsection 31(5) of the *CFMA*, in the possession or under the control of the HSP which relate to the Funding, the Services or otherwise to the performance of the HSP under this Agreement.

upon no less than twenty-four hours Notice to the HSP and during normal business hours, enter the HSP's premises to review the HSP's fulfillment of any one or more of its obligations under this Agreement.

(b) The cost of any financial or operational audit or review required or conducted by the LHIN will be borne by the HSP if the audit or review (i) was made necessary because the HSP did not comply with a requirement under LHSIA or this Agreement; or (ii) determines that the HSP has not fulfilled its obligations under this Agreement, or the Act.

(c) HSP's obligations under this paragraph will survive any termination or expiration of the Agreement.

## **8.3 Document Retention and Record Maintenance.** The HSP agrees

- (i) that it will retain all records (as that term is defined in the *Freedom of Information and the Protection of Privacy Act*) related to the HSP's performance of its obligations under this Agreement for seven (7) years after the termination or expiration of the term of the Agreement. The HSP's obligations under this paragraph will survive any termination or expiry of the Agreement;
- (ii) all financial records, invoices and other financially-related documents relating to the Funding or otherwise to the Services will be kept in a manner consistent with generally accepted accounting principles; and
- (iii) all non-financial documents and records relating to the Funding or otherwise to the Services will be kept in a manner consistent with all Applicable Law.

#### **8.4 Disclosure of Information.**

(a) The Parties will treat Confidential Information as confidential and will not disclose Confidential Information except with the consent of the disclosing Party or as permitted or required under the *Freedom of Information and Protection of Privacy Act*, the *Municipal Freedom of Information and Protection of Privacy Act*, the *Personal Health Information Protection Act* as applicable, court order, subpoena or as permitted or required under other Applicable Law. Notwithstanding the foregoing, the LHIN may disclose information that it collects under this Agreement in accordance with LHSIA and the CFMA.

(b) For the purposes of this Article, "Confidential Information" means information that is (i) marked or otherwise identified as confidential by the disclosing Party at the time the information is provided to the receiving Party; and (ii) eligible for exclusion from disclosure at a public board meeting in accordance with section 9 of LHSIA. Confidential Information does not include information that (a) was known to the receiving Party prior to receiving the information from the disclosing Party; (b) has become publicly known through no wrongful act of the receiving Party; or (c) is required to be disclosed by law, provided that the receiving Party provides Notice in a timely manner of such requirement to the disclosing Party, consults with the disclosing Party on the proposed form and nature of the disclosure, and ensures that any disclosure is made in strict accordance with Applicable Law;

**8.5 Transparency.** The HSP will post a copy of this Agreement in a conspicuous and easily accessible public place at the Home and on its public website, if the HSP operates a public website.

**8.6 Auditor General.** For greater certainty the LHIN's rights under this article are in addition to any rights provided to the Auditor General under the *Auditor General Act* (Ontario).

### **ARTICLE 9 - ACKNOWLEDGEMENT OF LHIN SUPPORT**

**9.1 Publication.** For the purposes of this Article 9, the term "publication" means any material on or concerning the Services that the HSP makes available to the public, regardless of whether the material is available electronically or in hard copy. Examples include a web-site, an advertisement, a brochure, promotional documents and a report. Materials that are prepared by the HSP in order to fulfil its reporting obligations under this Agreement are not included in the term "publication".

**9.2 Acknowledgment of Funding Support.** The HSP agrees all publications will include:

- (i) an acknowledgment of the Funding provided by the LHIN and the Government of Ontario. Prior to including an acknowledgement in any publication, the HSP will obtain the LHIN's approval of the form of acknowledgement. The LHIN may, at its discretion, decide that an acknowledgement is not necessary; and
- (ii) a statement indicating that the views expressed in the publication are the views of the HSP and do not necessarily reflect those of the LHIN or the Government of

Ontario.

## ARTICLE 10 – REPRESENTATIONS, WARRANTIES AND COVENANTS

**10.1 General.** The HSP represents, warrants and covenants that:

- (i) it is, and will continue for the term of the Agreement to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (ii) it has the experience and expertise necessary to carry out the Services;
- (iii) it holds all permits, licences, consents intellectual property rights and authorities necessary to perform its obligations under this Agreement;
- (iv) all information that the HSP provided to the LHIN in its LAPS or otherwise in support of its application for funding was true and complete at the time the HSP provided it, and will, subject to the provision of Notice otherwise, continue to be true and complete for the term of the Agreement;
- (v) it has not and will not for the term of this Agreement, enter into a non-arm's length transaction that is prohibited by the Act; and
- (vi) it does, and will continue for the term of the Agreement to, operate in compliance with all Applicable Law and Applicable Policy.

**10.2 Execution of Agreement.** The HSP represents and warrants that:

- (i) it has the full power and authority to enter into the Agreement; and
- (ii) it has taken all necessary actions to authorize the execution of the Agreement.

**10.3 Governance.** The HSP represents warrants and covenants that it has established, and will maintain for the period during which the Agreement is in effect, policies and procedures:

- (i) for effective and appropriate decision-making;
- (ii) for effective and prudent risk-management, including the identification and management of actual and perceived conflicts of interest;
- (iii) for the prudent and effective management of the Funding;
- (iv) to monitor and ensure the accurate and timely fulfillment of the HSP's obligations under this Agreement and compliance with the Act and LHSIA;
- (v) to enable the preparation, approval and delivery of all Reports required

pursuant to Article 8; and

- (vi) to address complaints about the provision of Services, the management or governance of the HSP.

**10.4 Services.** The HSP represents warrants and covenants that the Services are and will continue to be provided:

- (i) by persons with the expertise, professional qualifications, licensing and skills necessary to complete their respective tasks; and
- (ii) in compliance with Applicable Law and Applicable Policy.

**10.5 Supporting Documentation.** Upon request, the HSP will provide the LHIN with proof of the matters referred to in this Article.

## ARTICLE 11 - LIMITATION OF LIABILITY, INDEMNITY & INSURANCE

**11.1 Definition.** In this Article,

- (i) **"controlling shareholder"** of a corporation means a shareholder who or which holds (or another person who or which holds for the benefit of such shareholder), other than by way of security only, voting securities of such corporation carrying more than 50% of the votes for the election of directors, provided that the votes carried by such securities are sufficient, if exercised, to elect a majority of the board of directors of such corporation.
- (ii) **"HSP's Personnel"** means the controlling shareholders (if any), directors, officers, employees, agents and other representatives of the HSP. In addition to the foregoing HSP's Personnel shall include the contractors and subcontractors and their respective shareholders, directors, officers, employees, agents or other representatives. Where the HSP has entered into an agreement with another person to manage or operate the Home or any part of the Home, on behalf of the HSP, "HSP's Personnel" also includes that person, and any directors, officers, employees, agents or other representatives of that Person who are involved with the management or operation of the Home; and
- (iii) **"Indemnified Parties"** means one or more of the LHIN and its officers, employees, directors, independent contractors, subcontractors, agents, successors and assigns and her Majesty the Queen in Right of Ontario and her Ministers, appointees and employees, independent contractors, subcontractors, agents and assigns. Indemnified Parties also includes any person participating in an audit, inspection or review conducted under either Article 7 or Article 8 by or on behalf of the LHIN.

**11.2 Limitation of Liability.** The Indemnified Parties will not be liable to the HSP or any of the HSP's Personnel for costs, losses, claims, liabilities and damages howsoever caused (including any incidental, indirect, special or consequential damages, injury or any loss of use or profit of the HSP) arising out of or in any way related to the Services

or otherwise in connection with the Agreement, unless caused by the gross negligence or wilful act of the Indemnified Party.

**11.3 Ibid.** For greater certainty and without limiting subsection 11.2, the LHIN is not liable for how the HSP and the HSP's Personnel carry out the Services and is therefore not responsible to the HSP for such Services. Moreover the LHIN is not contracting with or employing people from the HSP to carry out the terms of this Agreement. As such, it is not liable for contracting with, employing or terminating a contract or the employment of any HSP personnel required to carry out this Agreement, nor for the withholding, collection or payment of any taxes, premiums, contributions or any other remittances due to government for the HSP's Personnel required by the HSP to carry out this Agreement.

**11.4 Indemnification.** The HSP hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant costs), causes of action, actions, claims, demands, lawsuits or other proceedings, (collectively "Claims"), by whomever made, sustained, brought or prosecuted, including for third party bodily injury (including death), personal injury and property damage, in any way based upon, occasioned by or attributable to anything done or omitted to be done by the HSP or the HSP's Personnel in the course of the performance of the HSP's obligations under, or otherwise in connection with, the Agreement. The HSP further agrees to indemnify and hold harmless the Indemnified Parties for any incidental, indirect, special or consequential damages, or any loss of use, revenue or profit, by any person, entity or organization, including without limitation the LHIN, claimed or resulting from such Claims.

**11.5 Insurance.**

(a) **Generally.** The HSP shall protect itself from and against all claims that might arise from anything done or omitted to be done by the HSP and the HSP's Personnel under this Agreement and more specifically all claims that might arise from anything done or omitted to be done under this Agreement where bodily injury (including personal injury), death or property damage, including loss of use of property is caused.

(b) **Required Insurance.** The HSP will put into effect and maintain, with insurers acceptable to the LHIN, for the period during which the Agreement is in effect, at its own expense insurance that is appropriate for a provider of the Services. The insurance will include at least the following:

1. Commercial General Liability Insurance, to an inclusive limit of not less than five million dollars per occurrence for each occurrence of a claim of bodily injury (including personal injury), death or property damage, including loss of use of property that may arise directly or indirectly from the acts or omissions of the HSP. The policy will include the following clauses:
  - (i) The Indemnified Parties as additional insureds;
  - (ii) Contractual Liability;
  - (iii) Cross Liability;
  - (iv) Independent Contractors;
  - (v) Products and Completed Operations Liability;

- (vi) A valid WSIB Clearance Certificate, or Employers Liability and Voluntary Compensation, which ever applies;
  - (vii) Tenants Legal Liability; (*for premises/building leases only*);
  - (viii) Non-Owned automobile coverage with blanket contractual and physical damage coverage for hired automobiles; and,
  - (ix) A thirty day written notice of cancellation, termination or material change;
2. Property insurance on property of every description, including business interruption for the period of "all risk" of physical loss or damage, providing coverage to a limit of not less than the full replacement cost, including earthquake and flood. Such insurance shall be written to include replacement cost value and shall not include a co-insurance clause. All reasonable deductibles and/or self-insured retentions are the responsibility of the HSP.
  3. Boiler and machinery insurance (including pressure objects, machinery objects and service supply objects) on a comprehensive basis. Such insurance shall be written to include repair and replacement value and shall not include a co-insurance clause. All reasonable deductibles and/or self insured retentions are the responsibility of the HSP.
  4. Comprehensive Crime insurance, Disappearance, Destruction and Dishonest coverage.
  5. Professional Liability Insurance, to an inclusive limit of not less than five million dollars per occurrence for each claim of negligence resulting in bodily injury, death or property damage, arising directly or indirectly from the professional services rendered by HSP, its officers, agents or employees.
  6. Administrators Errors & Omission Liability Insurance, to an inclusive limit of not less than 2 million dollars per claim, with an annual aggregate of not less than 4 million dollars, responding to claims of wrongful acts of the HSP directors, board members, employees and volunteers in the discharge of their duties on behalf of the HSP.

(c) **Certificates of Insurance.** The HSP will provide the LHIN with proof of the insurance required by the Agreement in the form of a valid certificate of insurance that references the Agreement and confirms the required coverage, on or before the commencement of the Agreement, and renewal replacements on or before the expiry of any such insurance.

## ARTICLE 12 - TERMINATION OF AGREEMENT

### 12.1 Termination by the LHIN.

(a) **Immediate Termination.** The LHIN may terminate the Agreement immediately upon giving Notice to the HSP if:

- (i) the HSP is unable to provide or has discontinued the Services in whole

or in part or the HSP ceases to carry on business;

- (ii) the HSP makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver;
- (iii) the LHIN is directed, pursuant to the Act, to terminate this Agreement by the Minister or the Director;
- (iv) the Home has been closed in accordance with the Act; or
- (v) as provided for in section 4.6, the LHIN does not receive the necessary funding from the MOHLTC.

(b) **Termination in the Event of Financial Difficulties.** If the HSP makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver the LHIN will consult with the Director before determining whether the Agreement will be terminated. If the LHIN terminates this Agreement because a person has exercised a security interest as contemplated by section 107 of the Act, the LHIN would expect to enter into a service accountability agreement with the person exercising the security interest or the receiver or other agent acting on behalf of that person where the person has obtained the Director's approval under s. 110 of the Act and has met all other relevant requirements of Applicable Law.

(c) **Opportunity to Remedy Material Breach.** If an HSP breaches any material provision of the Agreement, including, but not limited to, the reporting requirements in Article 8 and the representations and warranties in Article 10 and the breach has not been satisfactorily resolved under Article 7, the LHIN will give the HSP Notice of the particulars of the breach and of the period of time within which the HSP is required to remedy the breach. The Notice will advise the HSP that the LHIN will terminate the Agreement:

- (i) at the end of the Notice period provided for in the Notice if the HSP fails to remedy the breach within the time specified in the Notice; or
- (ii) prior to the end of the Notice period provided for in the Notice if it becomes apparent to the LHIN that the HSP cannot completely remedy the breach within that time or such further period of time as the LHIN considers reasonable, or the HSP is not proceeding to remedy the breach in a way that is satisfactory to the LHIN; and

the LHIN may then terminate the Agreement in accordance with the Notice.

**12.2 Termination by the HSP.** The HSP may terminate the Agreement at any time, for any reason, upon giving the LHIN six months Notice.

**12.3 Consequences of Termination.**

- (a) If the Agreement is terminated pursuant to this Article, the LHIN may:

- (i) cancel all further Funding instalments;
- (ii) demand the repayment of any Funding remaining in the possession or under the control of the HSP;
- (iii) determine the HSP's reasonable costs to wind down the Services; and
- (iv) permit the HSP to offset the costs determined pursuant to subsection (iii), against the amount owing pursuant to subsection (ii).

(b) Despite (a), if the cost determined pursuant to section 12.3(a) (iii) exceeds the Funding remaining in the possession or under the control of the HSP the LHIN is not required to provide additional monies to the HSP to wind down the Services .

**12.4 Effective Date.** The effective date of any termination under this Article will be the last Day of the Notice period, the last Day of any subsequent Notice period or immediately, which ever applies.

**12.5 Corrective Action.** Despite its right to terminate the Agreement pursuant to this Article, the LHIN may choose not to terminate the Agreement and may take what ever corrective action it considers necessary and appropriate, including suspending Funding for such period as the LHIN determines, to ensure the successful completion of the Services in accordance with the terms of the Agreement.

### ARTICLE 13 – NOTICE

**13.1 Notice.** Any Notices required to be provided to a Party, whether under this Agreement, LHSIA or the CMFA (a "Notice") will be in writing; delivered personally or by pre-paid courier, or sent by facsimile; and, addressed to the other Party as provided below or as either Party will later designate to the other in writing:

To the LHIN:

North East LHIN  
555 Oak Street East, 3<sup>rd</sup> Floor  
North Bay, ON P1B 8E3

Attention: Louise Paquette, Chief  
Executive Officer

Fax: (705) 840-0142  
Telephone: (705) 840-2872

To the HSP:

Extendicare (Canada) Inc.  
P.O. Box 999  
143 Bruce Street  
Haileybury, ON P0J 1K0

Attention: Jennifer Kasner, Administrator  
and Director of Care

Fax: (705) 672-5348  
Telephone: (705) 672-2151

**13.2 Notices Effective From.** A Notice will be effective at the time the delivery is made if the Notice is delivered personally, by pre-paid courier or by facsimile.

## ARTICLE 14 - INTERPRETATION

- 14.1 Interpretation.** In the event of a conflict or inconsistency in any provision of this Agreement, the main body of this Agreement will prevail over the Schedules and the Schedules will prevail over the terms of Applicable Policy.
- 14.2 Jurisdiction.** Where this Agreement requires compliance with the Act, the Director will determine compliance and advise the LHIN. Where the Act requires compliance with this Agreement, the LHIN will determine compliance and advise the Director.
- 14.3 Determinations by the Director.** All determinations required by the Director under this Agreement are subject to an HSP's rights of review and appeal under the Act.
- 14.4 The Act.**
- (a) The Parties acknowledge and agree that
    - (i) this Agreement has been negotiated prior to the implementation of the Act;
    - (ii) this Agreement should be consistent with the Act;
    - (iii) while the LHIN has striven for consistency with the Act; the implementation of the Act may cause the Parties to identify provisions of this Agreement which are or appear to be inconsistent with the Act; and
    - (iv) this Agreement will be amended as required to ensure that the Agreement is consistent with the Act.
  - (b) The Parties agree that in the event that there are provisions of the Agreement that are, or appear to be inconsistent with the Act, these provisions will be interpreted and amended, in a manner that preserves the rights of both the LHIN and the Director and enables both the LHIN and the Director to fulfil their statutory responsibilities.
- 14.5 Ibid.** For greater clarity, nothing in this Agreement supplants or otherwise excuses the HSP from the fulfillment of any requirements of the Act. The HSP's obligations in respect of LHSIA and this Agreement are separate and distinct from the HSP's obligations under the Act.

## ARTICLE 15 – ADDITIONAL PROVISIONS

- 15.1 Currency.** All payment to be made by the LHIN or the HSP under this Agreement shall be made in the lawful currency of Canada.
- 15.2 Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement and any invalid or unenforceable provision will be deemed to be severed.

- 15.3 Terms and Conditions on Any Consent.** Any consent or approval that the LHIN may grant under this Agreement is subject to such terms and conditions as the LHIN may reasonably require.
- 15.4 Waiver.** A Party may only rely on a waiver of the Party's failure to comply with any term of the Agreement if the other Party has provided a written and signed Notice of waiver. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.
- 15.5 Parties Independent.** The Parties are and will at all times remain independent of each other and are not and will not represent themselves to be the agent, joint venturer, partner or employee of the other. No representations will be made or acts taken by either Party which could establish or imply any apparent relationship of agency, joint venture, partnership or employment and neither Party will be bound in any manner whatsoever by any agreements, warranties or representations made by the other Party to any other person or entity, nor with respect to any other action of the other Party.
- 15.6 LHIN is an Agent of the Crown.** The Parties acknowledge that the LHIN is an agent of the Crown and may only act as an agent of the Crown in accordance with the provisions of LHSIA. Notwithstanding anything else in this Agreement, any express or implied reference to the LHIN providing an indemnity or any other form of indebtedness or contingent liability that would directly or indirectly increase the indebtedness or contingent liabilities of the LHIN or Government of Ontario, whether at the time of execution of the Agreement or at any time during the term of the Agreement, will be void and of no legal effect.
- 15.7 Express Rights and Remedies Not Limited.** The express rights and remedies of the LHIN are in addition to and will not limit any other rights and remedies available to the LHIN at law or in equity. For further certainty, the LHIN has not waived any provision of any applicable statute, including the Act, LHSIA and the CFMA, nor the right to exercise its right under these statutes at any time.
- 15.8 No Assignment.** The HSP will not assign the Agreement or the Funding or any part thereof, directly or indirectly, without the prior written consent of the LHIN which consent shall not be unreasonably withheld. No assignment or subcontract shall relieve the HSP from its obligations under this Agreement or impose any liability upon the LHIN to any assignee or subcontractor. The LHIN may assign this Agreement or any of its rights and obligations under this Agreement to any one or more of the LHINs or to the MOHLTC.
- 15.9 Governing Law.** The Agreement and the rights, obligations and relations of the Parties hereto will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any litigation or arbitration arising in connection with the Agreement will be conducted in Ontario unless the Parties agree in writing otherwise.
- 15.10 Survival.** The provisions in Articles 1.0, 4.1, 4.2, 4.7, 4.8, 5.2, 5.3, 5.4, 5.5, 7.4, 8.0, 10.5, 11.0, 13.0, 14.0 and 15.0 will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement.
- 15.11 Further Assurances.** The Parties agree to do or cause to be done all acts or things

necessary to implement and carry into effect the Agreement to its full extent.

**15.12 Amendment of Agreement.** The Agreement may only be amended by a written agreement duly executed by the Parties.

**15.13 Counterparts.** The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

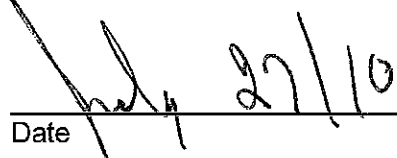
**ARTICLE 16 - ENTIRE AGREEMENT**

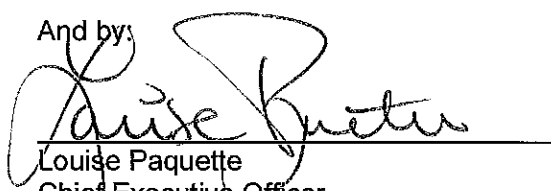
**16.1 Entire Agreement.** The Agreement together with the appended Schedules constitutes the entire Agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

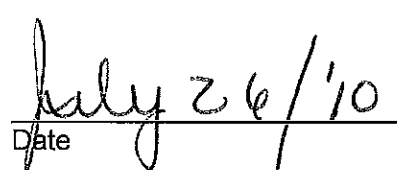
The Parties have executed the Agreement on the dates set out below.

**NORTH EAST LOCAL HEALTH INTEGRATION NETWORK**

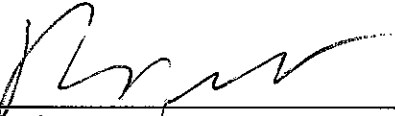
By:   
Peter Vaudry  
Interim Chair

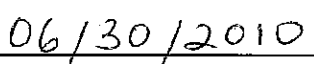
  
Date

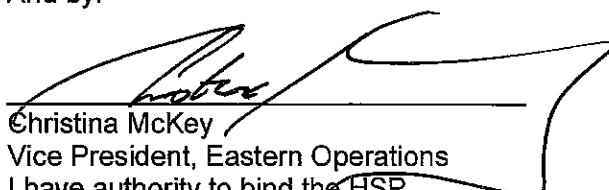
And by:   
Louise Paquette  
Chief Executive Officer


  
Date

**EXTENDICARE (CANADA) INC.**

By:   
Paul Tuttle  
President  
I have authority to bind the HSP

  
Date

And by:   
Christina McKey  
Vice President, Eastern Operations  
I have authority to bind the HSP

  
Date

## SCHEDULES

<b>Table of Contents</b>		
<b>Schedules made part of and incorporated into the Long Term Care Home Service Accountability Agreement</b>		
<b>Schedule</b>	<b>Title</b>	<b>Description</b>
<b>A.</b>	Description of Home and Services	Descriptions (i) Home; (ii) Beds; and (iii) Services.
<b>B.</b>	Additional Terms and Conditions by Bed-Type	Incorporates additional bed-type specific terms into Agreement
<b>C.</b>	Terms and Conditions Applicable to the Funding	Incorporates terms and conditions specific to the funding model into the Agreement.
<b>D.</b>	Reporting Requirements	Identifies, describes and set due dates for common HSP reports
<b>E.</b>	Performance	Identifies indicators, standards and local performance requirements.
<b>F.</b>	List of Policies, Guidelines, Directives, Standards and Tools Applicable to the HSP, the Home and the Services	List of Policies, Guidelines, Directives, Standards and Tools Applicable to the HSP, the Home and the Services
<b>G.</b>	Project Agreement Template	Permits funding for special projects under the auspices of the L-SAA

### Schedule A: Description of Home and Services

Note: The information contained in this Schedule A was collected under the legislation in effect prior to July 1, 2010. Consequently some of the terms used in this Schedule A may not have the same meaning under the Act. In particular, a reference to a specialized unit is not a specialized unit within the meaning of the Act and a 'secure area' of the home is not a secure unit within the meaning of the Act.

#### A-1. General Information

LTCH Legal Name:	Extendicare (Canada) Inc.		
LTCH Common Name:	Extendicare Tritown		
LTCH Facility ID Number:	NH2206		
Address:	143 Bruce Street		
City:	Haileybury	Postal Code:	P0J1K0
Geography served (catchment area):	Temiskaming		
Accreditation organization:	Accreditation Canada		
Date of Last Accreditation:	Oct-07	Year(s) Awarded:	3

#### A-2. LTCH Classification

Licensed / Approved Beds	Total # of Beds	A	B	C	D	Other
Total Licensed / Approved bed	60			60		

Other Beds:	Total # of Beds	Comments/Additional Information
Convalescent Care Beds	0	
Respite Beds	1	
Beds in Abeyance	0	
ELDCAP Beds	0	
Interim Beds	0	
Veterans' Priority Access beds	2	
Other beds available for over-bedding	0	

#### A-3. Structural Information

<b>Type of Room</b> <i>(this refers to structural layout rather than what charged in accommodations)</i>			
Number of rooms with 1 bed	6	Number of rooms with 2 beds	23
Number of rooms with 3 beds	0	Number of rooms with 4 beds	2
Other			
Separate Infirmary (Y/N)	N	Number of Rooms	31
Year of Construction	1974	Year(s) of renovations	Ongoing, details in the
Opening Date	1974	Number of Floors	

#### Number of Units and Beds

Unit	Number of Beds
East	32
West	28

**Additional Information**

**A-4. Additional Services Provided**

	Service Provided		Contract for Service		Explanation if applicable
	Yes	No	Yes	No	
Nurse Practitioner		X		X	
Physiotherapy	X		X		Third Party Provider, funded through
Occupational therapy	X		X		Third Party Provider, funded through
Ophthalmology/ Optometry	X		X		Third Party Provider, resident fee for service
Audiology		X		X	Facilitated offsite as needed, resident fee
Dental		X		X	Facilitated offsite as needed, resident fee
Respiratory Technology		X		X	Facilitated offsite as needed, resident fee
Denturist		x		x	Third Party Provider, resident fee for
IV Therapy (antibiotics or hydration)		X		X	
Peritoneal Dialysis (PD)		X		X	
Support for hemodialysis (HD)		X		X	
French Language Services	x				Official designation
Secure residential home area(s)		X		X	
Specialized Dementia Care unit(s)		x			
Designated smoking room(s)		X		X	Indepentant only; outdoors
Specialized unit for younger physically disabled adults		X		X	
Support for Feeding Tubes		x		x	
Specialized Behavioural treatment unit(s)		X		X	
Additional service commitments for new bed awards (1987 to 1998)		X		X	
Other (specify)					
Other (specify)					
Other (specify)					

<b>A-5. Community Linkages</b>			
	Service Provided		Comments
	Yes	No	
Volunteer program	x		60+ volunteers
Service groups	x		Community groups volunteer at the Home
Language interpreters	x		Informal interpretation provided. Community resources utilized
Cultural interpreters		x	
Advisory council	x		Family Council, Residents' Council
Community board		x	
Faith communities	x		Services offered in several denominations on site.
Other (specify)			
Other (specify)			
Other (specify)			
Other (specify)			
<b>A-6. Specialized Designations</b>			
	Designated		Comments
	Yes	No	
Religious		x	
Ethnic		x	
Linguistic		x	
French Language Service Designation	x		
Aboriginal		x	
Other (specify)			
Other (specify)			
Other (specify)			
Other (specify)			
<b>A-7. Services Provided to the Community</b>			
	Services Provided		Comments
	Yes	No	
Meal Services		x	
Social Congregate Dining		x	
Supportive Housing /SDL		x	
Adult Day Program		x	
Retirement living		x	
Other (specify)			
Other (specify)			
Other (specify)			
Other (specify)			

## **Schedule B – Additional Terms and Conditions by Bed Type**

### **1.0 Termination of Designation of Convalescent Care Beds**

- 1.1 By HSP. The HSP may at any time terminate the designation of the Convalescent Care Beds and revert them back to Long-Stay beds by giving thirty (30) calendar days' prior written notice of termination to the Ministry and to the LHIN. A Convalescent Care Bed will revert to a Long-Stay bed on the later of thirty (30) calendar days after the HSP has given the notice of termination, or on the day that the resident who is occupying that Convalescent Care Bed has been discharged from that Bed.
- 1.2 By the LHIN. The LHIN may terminate the designation of the Convalescent Care Beds at any time, upon giving at least sixty (60) calendar days' written notice to the Operator. A Convalescent Care Bed will revert to a Long-Stay bed on the later of sixty (60) calendar days after the LHIN has given the notice of termination, or on the day that the resident who is occupying that Convalescent Care Bed has been discharged from that Bed.
- 1.3 Application to other Bed types. The terms set out in this section 1.0 are being reviewed to determine their applicability to other specialty beds type. The HSP will be advised if their application is extended beyond Convalescent Care Beds.

## **Schedule C**

### **Terms and Conditions Applicable to the Funding**

**1.0 Background.** The LHINs provide subsidy funding to long-term care home health service providers pursuant to a funding model set by the MOHLTC. The current model provides estimated per diem funding that is subsequently reconciled. The current funding model is under review and may change during the term of the Agreement. As a result, and for ease of amendment during its term, the Agreement incorporates certain terms and conditions that relate to the funding model in this Schedule C.

**2.0 Additional Definitions.** Any terms not otherwise defined in this Schedule have the same meaning attributed to them in the Agreement. The following terms have the following meanings:

**"Approved Funding"** means the allowable subsidy for the Term determined by reconciling the Estimated Provincial Subsidy in accordance with Applicable Law and Applicable Policy

**"Construction Funding Subsidy" or "CFS"** means the funding that the MOHLTC agreed to provide to the HSP in an agreement for the construction, development, redevelopment, retrofitting or upgrading of beds (a "Development Agreement").

**"Envelope"** is a portion of the Estimated Provincial Subsidy that is designated for a specific use. There are four Envelopes in the Estimated Provincial Subsidy as follows:

- (a) the "Nursing and Personal Care" envelope;
- (b) the "Program and Support Services" envelope;
- (c) the "Raw Food" envelope; and
- (d) the "Other Accommodation" envelope.

**"Estimated Provincial Subsidy"** means the estimated provincial subsidy calculated in accordance with Applicable Policy.

**"Reconciliation Reports"** means the reports as required by Applicable Policy including the Long-term Care Home Annual Report and, the In-Year Revenue/Occupancy Report.

### **3.0 Provision of Funding**

**3.1** In each Funding Year, the LHIN shall advise the HSP of the amount of its Estimated Provincial Subsidy. The amount of the Estimated Provincial Subsidy shall be calculated on both a monthly basis and an annual basis and will be allocated among the Envelopes and other funding streams applicable to the HSP, including the CFS.

**3.2** The Estimated Provincial Subsidy shall be provided to the HSP on a monthly basis in accordance with the monthly calculation described in 3.1. Payments will be made to the HSP on or about the twenty-second (22<sup>nd</sup>) day of each month of the Term.

3.3 CFS will be provided as part of the Estimated Provincial Subsidy and in accordance with the terms of the Development Agreement and Applicable Policy. This obligation survives any termination of the Agreement.

#### **4.0 Use of Funding**

4.1 The HSP shall use the funding allocated for an Envelope for the use set out in the Applicable Policy.

4.2 The HSP shall not transfer any such portion of the Estimated Provincial Subsidy in the following Envelopes to any other Envelope:

- (a) the "Nursing and Personal Care" envelope;
- (b) the "Program and Support Services" envelope; and
- (c) the "Raw Food" envelope.

4.3 The HSP may transfer all or any of the part of the Estimated Provincial Subsidy for the Other Accommodation Envelope to any other Envelope without the prior written approval of the LHIN, provided that the HSP has complied with the standards and criteria for the "Other Accommodation" Envelope as set out in Applicable Policy. .

4.4 In the event that a financial reduction is determined by the LHIN, the financial reduction will be applied against the portion of the Estimated Provincial Subsidy in the "Other Accommodation" Envelope.

#### **5.0 Construction Funding Subsidies**

5.1 Subject to 5.2 and 5.3 the HSP is required to continue to fulfill all commitments identified in Schedule A of the service agreement in effect between the HSP and the LHIN on June 30, 2010 (the "CFS Commitments") and the CFS Commitments are hereby incorporated into and deemed part of this Agreement.

5.2 The HSP is not required to continue to fulfill those CFS Commitments that the Ministry has agreed in writing:

- (i) have been satisfactorily fulfilled; or
- (ii) are no longer required to be fulfilled;

and the HSP is able to provide the LHIN with a copy of such written agreement.

5.3 Where this Agreement establishes or requires a service requirement that surpasses the service commitment set out in the CFS Commitments, the HSP is required to comply with the service requirements in this Agreement.

5.4 The MOHLTC will be responsible for monitoring the HSP's on-going compliance with the CFS Commitments. Notwithstanding the foregoing, the HSP agrees to certify its compliance with the CFS Commitments when requested to do so by the LHIN.

#### **6.0 Reconciliation**

6.1 The HSP shall complete the Reconciliation Reports and submit them to the LHIN in accordance with Schedule D. The Reconciliation Reports shall be in such form and

containing such information as required by Applicable Policy or as otherwise required by the LHIN pursuant to Article 8 of the Agreement.

- 6.2 The Estimated Provincial Subsidy provided by the LHIN under section 3.0 of this Schedule shall be reconciled by the LHIN in accordance with Applicable Law and Applicable Policy to produce the Approved Funding.
- 6.3 In accordance with the Applicable Law and Applicable Policy, if the Estimated Provincial Subsidy paid to the HSP exceeds the Approved Funding for any period, the excess is a debt due and owing by the HSP to the Crown in right of Ontario which shall be paid by the HSP to the Crown in right of Ontario and, in addition to any other methods available to recover the debt, the LHIN may deduct the amount of the debt from any subsequent amounts to be provided by the LHIN to the HSP. If the Estimated Provincial Subsidy paid for any period is less than the Approved Funding, the LHIN shall provide the difference to the HSP.

## Schedule D – Reporting Requirements

<b>1. In-Year Revenue/Occupancy Report</b>	
<b>Reporting Period</b>	<b>Estimated Due Dates<sup>1</sup></b>
2010 – Jan 01-10 to Sept 30-10	By October 15, 2010
2011 – Jan 01-11 to Sept 30-11	By October 15, 2011
2012 – Jan 01-12 to Sept 30-12	By October 15, 2012
<b>2. Long-Term Care Home Annual Report</b>	
<b>Reporting Period</b>	<b>Estimated Due Dates<sup>1</sup></b>
2010 - Jan 01-10 to Dec 31-10	By September 30, 2011
2011 – Jan 01-11 to Dec 31-11	By September 30, 2012
2012 – Jan 01-12 to Dec 31-12	By September 30, 2013
<b>3. Performance Report</b>	
<b>2010-2011</b>	<b>Due Dates</b>
Q2 – Apr 01-10- to Sept 30-10	October 29, 2010
Q3 – Apr 01-10- to Dec 31-10	January 31, 2011
Q4 – Apr 01-10- to March 31-11	April 29, 2011
<b>2011-2-12</b>	<b>Due Dates</b>
Q2 – Apr 01-11- to Sept 30-11	October 31, 2011
Q3 – Apr 01-11- to Dec 31-11	January 31, 2012
Q4 – Apr 01-11- to March 31-12	April 30, 2012
<b>2012-2013</b>	<b>Due Dates</b>
Q2 – Apr 01-12- to Sept 30-12	October 31, 2012
Q3 – Apr 01-12- to Dec 31-12	January 31, 2013
Q4 – Apr 01-12- to March 31-13	April 30, 2013
<b>4. French Language Services Accountability Report</b>	
<b>Fiscal Year</b>	<b>Due Dates</b>
2010-11 – Apr 01-10 to March 31-11	April 29, 2011
2011-12 – Apr 01-11 to March 31-12	April 30, 2012
2012-13 – Apr 01-12 to March 31-13	April 30, 2013
<b>5. Commitment to Integration</b>	
<b>Fiscal Year</b>	<b>Due Dates</b>
2010-11 – 2012-13	December 31, 2010

<sup>1</sup> These are estimated dates from the Ministry and can change based on any changes to Policy, Accountability Agreement or regulations.

## Schedule E – Performance

### 1.0 Performance Indicators

#### 1.1 Definitions.

In this Schedule E, the following terms have the following meanings:

**Indicator** means a measure of HSP performance for which a Target is set;

**Performance Corridor** means the acceptable range of results around a Target;

**Performance Standard** means the range of performance that results when a Performance Corridor is applied to a Target; and

**Target** means the level of performance expected of the HSP in respect of an Indicator.

#### 1.2. Indicators.

The HSP's delivery of the Services will be measured by the following Indicators, Targets and where applicable Performance Standards.

In the following table:

**n/a** means 'not-applicable', that there is no defined Performance Standard for the indicator for the applicable year.

**tbd** means a Target, and a Performance Corridor if applicable, will be determined during the applicable year.

### Schedule E – Performance – Cont'd

Indicator	2014/15 Performance Metric	2015/16 Performance Standard	2016/17 Performance Metric	2017/18 Performance Standard	2018/19 Performance Metric	2019/20 Performance Standard
Current Ratio (Site or Consolidated)	tbd	tbd	tbd	tbd	tbd	tbd
Debt Service Coverage Ratio (Site or Consolidated)	tbd	tbd	tbd	tbd	tbd	tbd
Injury Frequency and Severity Rate	n/a	n/a	n/a	n/a	tbd	n/a
Refusal rates per 100 Beds	n/a	n/a	tbd	n/a	tbd	tbd
Compliance Status	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant
Prevalence of worsening pressure ulcers (Stage 2 - 4)	n/a	n/a	tbd	tbd	tbd	tbd
Incidence of pressure ulcers (Stage 2 - 4)	n/a	n/a	tbd	n/a	tbd	tbd
Prevalence of daily physical restraint	n/a	n/a	tbd	tbd	tbd	tbd
Incidence of worsening bladder incontinence	n/a	n/a	tbd	n/a	tbd	tbd
Incidence of New Fractures	n/a	n/a	tbd	n/a	tbd	tbd
Incidence of Falls	n/a	n/a	tbd	n/a	tbd	tbd
Potentially avoidable ED visits by facility	n/a	n/a	tbd	n/a	tbd	tbd
Immunization Rates	n/a	n/a	tbd	n/a	tbd	tbd

## 2.0 OHRs/MIS

- (a) The HSP will sign up for one of the following five phases offered by the Long-Term Care Homes Ontario Healthcare Reporting Standards/Management Information Systems (LTCH OHRs/MIS) project. Requests to sign up must be made to the project team by September 30, 2010.
- Phase 1: November 2009 - May 2010; first OHRs submission by May 31, 2010
  - Phase 2: February 2010 - October 2010; first OHRs submission by Oct 29, 2010
  - Phase 3: September 2010 - May 2011, first OHRs submission by May 31, 2011
  - Phase 4: February 2011 - October 2011, first OHRs submission by Oct 31, 2011
  - Phase 5: September 2011 - May 2012; first OHRs submission by May 31, 2012
- Please note that the LTCH OHRs/MIS project has the discretion to move the HSP to another phase if the phase of the HSP's choice has reached capacity. Requests will be accommodated on a first come, first serve basis. Submission deadline dates are subject to the MOHLTC Health Data Branch's formal OHRs submission deadline communication.
- (b) The HSP will implement OHRs in accordance to the *Ontario Healthcare Reporting Standards (OHRs), Chapter 9*.
- (c) The HSP will submit its first OHRs trial balance to the Ontario Healthcare Financial and Statistical System website <https://www.healthinfo.moh.gov.on.ca> as set out above in (a) .
- (d) After making its first submission, the HSP will continue reporting on a semi-annual basis in accordance with the requirements listed in *OHRs Chapter 9*.

## 3.0 LHIN-Specific Performance Obligations.

### a) Board Policy - Commitment to Integration

The HSP Board will adopt a "Commitment to Integration" policy, as outlined in the "North East Local Health Integration Network INTEGRATION STRATEGY" document, by December 31, 2010.

### b) French Language Services

The organization will continue to ensure equity of access to and accessibility of programs/services in French for the Francophone population. Based on the information provided by the organization in the French Language Services Report (2010), the base line FLS equity index for the organization is **1.13**. The organization has achieved its goal of ensuring that Francophones have equitable access to the organization's services in French. The targeted FLS equity index through 2010/2013 is to maintain current FLS performance levels.

The LHIN will review the organization's progress towards achieving its target in May of each year during the term of the agreement.

The following provides a definition of the FLS equity index indicator and the indicator

calculation:

**Indicator Definition:**

An organization's FLS equity index of "1" suggests that access to and accessibility of services are fully equitable for the Francophone population. In this case Francophones accessing the organization's services have equitable access to services in French.

An organization's FLS index of "0" means nothing is happening to ensure access to accessibility of services in French for the Francophone population. In this case access to Francophone services are not integrated in the organization's service planning process.

An organization's FLS index greater than "1" suggests that access to and accessibility of services in French are more than equitable for the Francophone population.

**Indicator Calculation:**

Numerator: # FTE services accessible (incl. available) in French in the organization / Total French speaking population in organization's catchment population.

Denominator: # FTE services accessible (incl. available) in the organization / Total population in organization's catchment population.

Organization's FLS Equity Index Indicator Calculation: (Numerator/ Denominator)

## Schedule F - List of Policies, Guidelines, Directives, Standards and Tools Applicable to the HSP, the Home and the Services

	Title	HSP Accountable to:
1	Affordability Profile LTC Facility Operators	n/a - tool
2	FEC/FSD Completion Guidelines	n/a – tool
3	Fill Rate Guidelines for New and Redeveloped/Retrofitted "D" LTC Facilities	Ministry
4*	Eligible Expenditures for Long-Term Care	LHIN
5	LTC "D" Facility Retrofit Design Manual	Ministry
6	LTC Facility Design Manual (1999)	Ministry
7	LTC Facility Design Manual : Clarifications, Safety and Security Issues and Good Design Practices	Ministry
8	LTCH Design Manual, 2009	Ministry
9	LTCH Renewal Strategy Application Package 2009	n/a – application document
10	LTCH Bad Debt Reimbursement Policy	LHIN
11	LTCH Cash Flow Policy	LHIN
12*	LTCH Fill Rate Guidelines for New Interim Long Term Care Beds	LHIN
13	LTCH Funding Policy for Suspension of Admissions Due to Outbreaks	LHIN
14	LTCH Furnishing and Equipment Management Policy	LHIN
15	LTCH Level of Care Per Diem Funding Policy	LHIN
16	LTCH Level of Care Per Diem Funding Summary	LHIN
17*	LTCH Occupancy Reduction Protection Guidelines	LHIN
18	LTCH Occupancy Targets Policy	LHIN
19	LTCH Reconciliation and Recovery Policy	LHIN; Ministry reconciles and settles
20	LTCH Required Goods, Equipment, Supplies and Services	Both—mainly compliance.
21	Manual for Awardees/Operators in the Preparation for Occupancy	n/a – manual
22	Ontario Healthcare Reporting Standards (OHRs/MIS) – not publicly reported	Both
23*	Compliance Status Description	LHIN
24	Phased Construction Guidelines	Ministry
25	Policy for Funding Construction Costs of LTC Facilities (1999)	Ministry
26	Policy for Funding Construction Costs of LTC Homes, 2009	Ministry
27	Policy for Funding Construction Costs of Retrofitting "D" LTC Facilities – Retrofit Per Diem Calculator	Ministry
28	Policy for the Operation of Short Stay Beds (as defined in the LTCHA)	Both
29	RAI/MDS 2.0 LTC Homes - Practice Requirements	Ministry
30	RPN Funding Policy	LHIN
31	Transition Support Program Guidelines for "D" LTC Facilities – Appendix A : Transition Support Business Case Template	Ministry
32	Upgrade Option Guidelines for "D" LTC Facilities	Ministry

\* New Policy

## Schedule G – Project Agreement Template

**Note to L-SAA Schedule G: This project template is intended to be used to fund one-off projects or for the provision of services not ordinarily provided by the HSP. In both instances the HSP remains accountable for the funding that is provided by the LHIN – whether or not the HSP provides the services directly or subcontracts the provision of the services to another provider.**

**THIS PROJECT FUNDING AGREEMENT** (the "PFA") is effective as of [insert date] (the "Effective Date") between:

**XXX LOCAL HEALTH INTEGRATION NETWORK** (the "LHIN")

- and -

**[Legal Name of the Health Service Provider]** (the "HSP")

**WHEREAS** the LHIN and the HSP entered into a service accountability agreement dated [insert date] (the "SAA") for the provision of Services and now wish to set out the terms of pursuant to which the LHIN will fund the HSP for [insert brief description of project] (the "Project");

**NOW THEREFORE** in consideration of their respective agreements set out below and subject to the terms of the SAA, the parties covenant and agree as follows:

**1.0 Definitions.** Unless otherwise specified in the PFA, capitalized words and phrases shall have the meaning set out in the SAA. When used in the SAA, the following words and phrases have the following meanings:

"**Deliverable**" means one of, and "**Deliverables**" mean more than one of, the services and deliverables provided by the HSP pursuant to the terms of this SAA and set out in Appendix A to this SAA;

"**Project Funding**" means the applicable price or funding for the Deliverables and set out in Appendix A to this SAA; and

"**Term**" means the period of time from the Effective Date up to and including [insert project end date].

**2.0 Relationship between the SAA and the PFA.** This PFA is made subject to and hereby incorporates the terms of the SAA. On execution the PFA will be appended to the SAA as a Schedule.

**3.0 The Deliverables.** The HSP agrees to provide the Deliverables on the terms and conditions of this PFA including all Appendices and schedules thereto.

**4.0 Rates and Payment Process.** Subject to the SAA, the Project Funding for the provision of the Deliverables shall be as specified in Appendix A to this PFA.

**5.0 Representatives for PFA.**

- (a) The HSP's Representative for purposes of this PFA shall be [insert name, telephone number, fax number and e-mail address.] The HSP agrees that the HSP's Representative has authority to legally bind the HSP.
- (b) The LHIN's Representative for purposes of this PFA shall be: [insert name, telephone number, fax number and e-mail address.]

**6.0 Additional Terms and Conditions.** The following additional terms and conditions are applicable to this PFA.

- (a) Notwithstanding any other provision in the SAA or this PFA, in the event the SAA is terminated or expires prior to the expiration or termination of the PFA, the PFA shall continue until it expires or is terminated in accordance with its terms.
- (b) [insert any additional terms and conditions that are applicable to the Project]

**IN WITNESS WHEREOF** the parties hereto have executed this PFA as of the date first above written.

**[insert name of HSP]**

**By:**

\_\_\_\_\_  
[insert name and title]

**[XX] Local Health Integration Network**

**By:**

\_\_\_\_\_  
[insert name and title.]

## **APPENDIX A: DELIVERABLES**

- 1. DESCRIPTION OF PROJECT**
- 2. DESCRIPTION OF DELIVERABLES**
- 3. OUT OF SCOPE**
- 4. DUE DATES**
- 5. PERFORMANCE STANDARDS**
- 6. REPORTING**
- 7. PROJECT ASSUMPTIONS**
- 8. PROJECT FUNDING**

7.1 The Project Funding for completion of this PFA is as follows:

7.2 Regardless of any other provision of this PFA, the Project Funding payable for the completion of the Deliverables under this PFA are not to exceed [X].