Ministry of Long-Term Care

Director Programs and Funding Branch Long-Term Care Operations Division

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Ministère des Soins de longue durée

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June 7, 2021

| SUBJECT: | Director's Determination under s. 249(4) of O. Reg. 79/10 re: annual net income – COVID-19 Benefit Increases and One-Time Payments |
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| FROM: | Abby Dwosh, Director, Funding and Programs Branch |
| МЕМО ТО: | Long-Term Care Home Licensees |

Thank you for your ongoing efforts to ensure our long-term care residents receive high-quality care during this unprecedented time.

Under Ontario Regulation 79/10 (Regulation) of the *Long-Term Care Homes Act, 2007*, the Ministry of Long-Term Care (ministry) offers a reduction in long-term care home accommodation rates for eligible long-stay residents residing in basic accommodation. The rate reduction system mitigates the risk of financial hardship for residents who, despite having exhausted all available income, are unable to afford the current basic accommodation rate. On July 1, 2021, the annual Rate Reduction Program Cycle will come into effect and eligible residents will be required to re-apply for a reduced co-payment rate. Since the Rate Reduction program is an income-based program, a resident's rate reduction is calculated based on the resident's standardized income assessment as outlined in the Regulation.

Under subsection 249(4) of the Regulation, any benefits, entitlements, supplements, settlements or other financial assistance that a resident receives pursuant to an Act of the Parliament of Canada, legislature of a province or territory, or any foreign government, that are directed for a specified purpose and that the Director determines should not be considered in determining annual net income, shall not be considered in determining a resident's annual net income.

Under this authority, this letter is to inform long-term care licensees that the provincial and federal government benefit increases and one-time payments provided during the COVID-19 pandemic that are outlined in Table 1 and that have been received by some long-term care residents, will not be included in the determination of a resident's annual net income for the 2021-22 Rate Reduction Program Cycle. This exclusion will ensure residents receiving a rate reduction can use the full amount of additional benefit income to cover the cost of additional expenses throughout the COVID-19 pandemic.

| Benefit | Issued By | Description | Amount(s) not to be Considered |
|--|--------------------------|--|---|
| Guaranteed Annual Income System (GAINS) COVID-19 Top-Up | Government of Ontario | For residents who are eligible for the GAINS benefit, monthly payments range from \$2.50 to \$83 per month depending on a resident's annual income. | The GAINS maximum monthly payment was temporarily increased from \$83 to \$166. |
| | | From April to September 2020, the Government of Ontario temporarily doubled GAINS payment amounts for a period of six months. | The amount received through the temporary increase will depend on each resident's monthly GAINS payments. |
| Old Age Security (OAS) and Guaranteed Income Supplement (GIS) One-Time Payment | Federal Government | For residents that are eligible for Old Age Security (OAS) and/or the Guaranteed Income Supplement (GIS), the federal government announced a one-time payment of \$300 to seniors who qualify for OAS, and an additional \$200 for seniors who are eligible for GIS. All individuals who are eligible to receive the OAS pension or GIS in June 2020 will receive the one-time payment. A one-time separate payment was issued during the week of July 6, 2020. | Eligible residents will receive a one- time payment of \$300 for Old Age Security (OAS) and \$200 for the Guaranteed Income Supplement (GIS), for a total of up to \$500. |
| One-Time Additional Goods and Services Tax (GST) and Harmonized Sales Tax (HST) Tax Credit | Federal Government | In April 2020, the federal government provided an additional GST/HST credit payment in response to COVID-19 for Canadians already in receipt of the GST/ HST credit. This credit is a tax-free quarterly payment that helps individuals and families with low to modest income offset all or part of the GST/ HST that they pay. Individuals who were entitled to the GST/HST credit for the period from July 2019 to June 2020 automatically received the one-time additional GST/HST credit payment in April 2020. Residents that were previously not entitled to the GST/HST credit but had filed their 2018 tax return may also have received the one-time additional GST/HST credit payment. | Determined based on the 2018 Notice of Assessment (NOA). |

 Table 1: COVID-19 Benefit Increases and One-Time Payments not to be considered in the

 Determination of Annual Net Income

| One-Time Payment for Persons with Disabilities | Federal Government | The federal government announced a non-taxable, non-reportable, one- time payment of up to \$600 in recognition of the extraordinary expenses incurred by persons with disabilities during the COVID-19 pandemic. This payment complements other emergency supports, including the one-time payment through the GST/HST credit and the one-time payments to seniors. | Eligible recipients may receive a one- time payment of up to \$600. |
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| | | The vast majority of eligible recipients will begin receiving their payment on October 30, 2020, using direct deposit and mailing information from existing government programs. | |

Thank you for your continued support as we work together to support residents and staff during the COVID-19 pandemic.

Sincerely,

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Abby Dwosh

Director, Funding and Programs Branch

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Richard Steele, Deputy Minister, Ministry of Long-Term Care Nicole Stewart, Assistant Deputy Minister, Income Security and Pension Policy Division, MOF Janet Hope, Assistant Deputy Minister, Long-Term Care Policy Division, MLTC Brian Pollard, Assistant Deputy Minister, Long-Term Care Capital Development Division, MLTC Sheila Bristo, Assistant Deputy Minister, Long-Term Care Operations Division, MLTC Brad Robinson, Acting Director, Long-Term Care Inspections Branch, MLTC Jim Yuill, Director, Financial Management Branch, MLTC Jeffrey Graham, Director, Fiscal Oversight & Performance Branch, MLTC