

Long-Term Care PSW Temporary Wage Enhancement Funding Policy	Original Publish Date	November 2020
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1.0 Introduction

On October 1, 2020, the Government of Ontario announced a Temporary Wage Enhancement (TWE) to support personal support workers (PSWs) in long-term care (LTC) homes, in order to attract and retain the workforce needed to care for residents in response to the COVID-19 pandemic. TWE consists of:

- **A temporary wage enhancement for hourly pay** of an additional \$3 per hour for all hours worked during a designated period, as defined below.

On March 18, 2021, the Government announced an extension to the PSW TWE, effective April 1, 2021 to June 30, 2021.

This LTC PSW Temporary Wage Enhancement Funding Policy outlines the terms and conditions for the TWE provided to LTC staff effective from October 1, 2020 up to and including June 30, 2021 (subject to regular review in connection with regulations made under the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*).

The goals of this TWE are to provide additional support and relief to frontline staff, encourage staff to continue working and attract prospective employees and help maintain safe staffing levels and the operation of critical frontline services during the pandemic.

2.0 Eligibility Criteria

2.1 Any PSW (full-time, part-time or casual workers) who:

- a) is hired as a PSW in accordance with the requirements set out in section 47 of O. Reg. 79/10 under the *Long-Term Care Homes Act, 2007*; or
- b) is hired under O. Reg. 95/20: Streamlining Requirements for Long-Term Care Homes, under the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*, provided it was clear the individual was hired as a PSW;

is eligible for the TWE.

- 2.2 Third party agency staff or other contracted staff who are hired by or otherwise work for an LTC licensee and are working in a LTC home, but who are not a direct employee of the home, are eligible for the TWE.
- 2.3 Staff employed by an employer that is ineligible for TWE but who are redeployed to provide services in an LTC licensee in an eligible position are eligible for TWE.
- 2.4 TWE is not payable to staff for any hours worked to provide care services that were privately purchased, except as noted in section 2.3.
- 2.5 All eligible staff will receive the same TWE, regardless of their position, or years of service, provided that they meet the eligibility criteria.
- 2.6 All eligible staff will receive TWE, regardless of whether there is a COVID-19 outbreak in the LTC licensee that they work in.
- 2.7 Eligibility of staff providing care to residents in Elder Care Capital Assistance Program (EldCap) beds is determined by the hospital TWE policy. EldCap beds are not eligible under this LTC funding policy.
- 2.8 At the request of the Ministry of Long-Term Care (MLTC), LTC licensees are required to provide communications materials to eligible staff concerning TWE.

3.0 Funding Methodology and Payment for Funding of TWE

- 3.1 All eligible staff will receive a temporary hourly wage increase of \$3 per hour worked from October 1, 2020 up to the earlier of June 30, 2021 or the date on which O.Reg. 195/20 expires or is revoked. This pay is provided in addition to their existing hourly wages, regardless of how much that person is paid, in accordance with the terms and conditions of this policy.
- 3.2 TWE will be administered in accordance with the *Employment Standards Act, 2000* and/or the applicable collective agreement(s). MLTC encourages employers to comply with applicable collective agreements, and to work with their labour union partners in implementing the temporary wage enhancement.
- 3.3 TWE is subject to statutory deductions. The LTC licensee share of statutory entitlements and contributions will be funded by MLTC, and applies as follows:
 - Statutory entitlements such as vacation pay; public holiday pay; overtime;
 - Employer contributions such as Canada Pension Plan (CPP); Employment Insurance; Employer Health Tax; and
 - Increases in an employer's WSIB insurable earnings due to TWE.
- 3.4 No other employers' costs will be funded by the TWE. Any TWE funding spent on expenses not covered by this policy will be recovered by MLTC.
- 3.5 Salary-related benefits such as life insurance coverage and long-term income protection will not be impacted by the TWE.

- 3.6 The TWE does not apply to time that eligible staff are not working for any reason, including vacation, any authorized paid leave (including sick leave), and time and benefits awarded under the *Workplace Safety and Insurance Act, 1997*. For clarity, an employee who is training (on-site or off-site) is considered to be working.
- 3.7 The TWE does not impact pension (with the exception of CPP contributions), benefit plans paid by employers, or base salaries.
- 3.8 The TWE will be calculated separately and distinctly from any other pay premiums (such as shift premiums) that frontline staff may be entitled to.
- 3.9 The TWE will apply to overtime hours. TWE will be calculated in accordance with the *Employment Standards Act, 2000* and/or the applicable collective agreement(s). Each overtime hour worked may have an extra cost on top of the \$3 per hour depending on the collective agreement.
- 3.10 Eligible staff will receive the TWE directly from their direct employer.
- 3.11 Employers will make reasonable efforts to set out TWE as a separate line item from other amounts paid to eligible staff in a pay stub or other employment document provided to eligible staff.
- 3.12 Where an LTC licensee engage a third-party service provider that employs eligible staff to do eligible work for the LTC licensee, MLTC will provide TWE funds to the LTC licensee in respect of TWE for those eligible staff. The LTC licensee shall subsequently disburse the funds to the third-party service provider under an agreement that requires the third-party service provider to:
 - Pay TWE to each eligible staff that the third-party service provider employs in accordance with the TWE calculations;
 - Only use TWE funds for the purposes of paying eligible staff. For greater clarity, TWE funds may not be used for administrative costs or any other purpose for which funds are provided to the third-party service provider;
 - Commit in writing that the contracted staff is receiving the appropriate TWE amounts as outlined in this policy;
 - Maintain records as outlined in the “Reporting Requirements and Accountability for Funding” section below.
- 3.13 Staff redeployed from other eligible workplaces (e.g. hospitals) or other broader public sector organizations to provide personal support services in an LTC licensee are eligible for TWE. The TWE for all eligible staff redeployed to an LTC licensee from other eligible workplaces or broader public sector organizations will be paid by those workplaces/organizations.
- 3.14 Staff redeployed from an ineligible employer to provide personal support services in an LTC licensee are eligible for TWE. The TWE of these staff will be paid by their direct employer through an arrangement with the LTC licensee. The LTC licensee shall disburse the funds to the PSW’s employer under an agreement that requires the direct employer to:

- Pay TWE to each eligible staff that the third-party service provider employs in accordance with the TWE calculations;
 - Only use TWE funds for the purposes of paying eligible staff. For greater clarity, TWE funds may not be used for administrative costs or any other purpose for which funds are provided to the third-party service provider;
 - Commit in writing that the contracted staff is receiving the appropriate TWE amounts as outlined in this policy; and
 - Maintain records as outlined in “Reporting Requirements and Accountability for Funding” section below.
- 3.15 LTC licensees will only use TWE funds for the purposes of paying eligible staff and the costs incurred under statute or contract because of the payment of TWE. For greater clarity, TWE funds may not be used for administrative costs or any other purpose for which funds are provided to the LTC licensee.
- 3.16 LTC licensee will receive a pre-determined number of payment allocations based on the number of beds per home. Payments to licensees will be provided in:
- **Two instalments for the October 1, 2020 to March 31, 2021 period.** The first instalment will equal 75% of the LTC licensee’s total 26-week allocation and will be provided in December 2020 as an unscheduled payment. The second instalment will be provided in January 2021 and will equal the remaining balance (or 25% of the LTC licensee’s allocation).
 - **Two instalments for the April 1, 2021 to June 30, 2021 period.** The first estimated instalment will equal 75% of the LTC licensee’s allocation and will be retroactive from April 1, 2021. The second estimated instalment will be provided in August 2021 and will equal the remaining balance (or 25% of the LTC licensee’s allocation). The second instalment may be adjusted based on the submission and review of the final report.

4.0 Reporting Requirements and Accountability for Funding

- 4.1 LTC licensees shall submit two reports (Mid-Term and Final Report) to MLTC. The Mid-Term Report will cover two 6.5-week periods from October 1, 2020 up to and including December 31, 2020 and shall be submitted in January 2021. The final report will cover two 6.5-week periods from January 2021 up to and including March 31, 2021 and shall be submitted in spring 2021.
- 4.2 LTC licensee shall also submit an additional report (Extension Final Report) to MLTC. The Extension Final Report will cover the period from April 1, 2021 to June 30, 2021 and shall be submitted by July 30, 2021.
- 4.3 The Mid-Term, Final and Extension Final Report submissions shall be made through the MLTC HSIMI portal. A memo will be posted on LTChomes.net regarding the release of the report templates and timelines.
- 4.4 MLTC will, if necessary, adjust and/or recover the estimated allocation payments including statutory entitlements and deductions provided to the LTC licensee, based on the LTC licensee’s final report (January – March) and Extension Final

Report submission (April – June). Any adjustments to the payments made in either fiscal year will occur subsequent to the submission and review of the Extension Final Report by July 30, 2021.

- 4.5 All funding provided to the LTC licensee for the implementation of the TWE will be reconciled through a separate line in Section I Part A of the LTCH Annual Report at the end of the applicable year, in accordance with the terms and conditions set out in this policy and the LTCH Annual Report Technical Instructions and Guidelines.
- 4.6 LTC licensees shall create and maintain records, for the period from October 1, 2020 to June 30, 2021 that document:
- Number of staff hours eligible for hourly TWE, tracked from October 1, 2020 to June 30, 2021;
 - Gross amount of hourly TWE paid out to eligible staff;
 - Amount of statutory contributions paid by employers as a result of providing TWE to eligible staff;
 - Amount paid by the licensee to address statutory or collective agreement entitlements as a result of providing TWE;
 - The number of eligible staff as of October 1, 2020; the number of eligible staff hired after October 1, 2020; and the number of eligible staff who leave following October 1, 2020; and
 - Attestations related to TWE, which will be included in all reports provided to MLTC.