



# **BUSINESS PLAN 2023-2024**

## **ABOUT the Retirement Homes Regulatory Authority (RHRA)**

### **Mandate**

The Government mandates the Retirement Homes Regulatory Authority (RHRA) to administer Ontario's *Retirement Homes Act, 2010* (the Act) in the public interest. RHRA's core responsibility is to enhance residents' safety and consumer protection in Ontario's licensed retirement homes. RHRA is a regulator, educator, advisor, and trusted partner, with a singular focus on ensuring that retirement homes operate in a manner that supports residents in living with dignity, respect, privacy, and autonomy, in security, safety, and comfort, and that residents can make informed choices about their care options.

### **Scope**

#### **RHRA fulfills its mandate by:**

- Informing and educating the retirement home sector, residents, and the public about the Act, regulations, and the role of the RHRA.
- Licensing Ontario's more than 780 retirement homes and maintaining a searchable Retirement Homes Database of licensed retirement homes available on our website.
- Inspecting retirement homes, overseeing compliance with the regulations and care standards, and enforcing the Act for the protection of residents.
- Advising the Minister/Ministry for Seniors and Accessibility on emerging trends and policy matters related to retirement homes.

### **Organizational Structure and Accountability**

RHRA is a not-for-profit corporation established as an administrative authority of the Ontario Government through the Act and its regulations.

The Government retains responsibility for the Act and regulations. RHRA is responsible to ensure the legislation and regulations are implemented and enforced.

Headquartered in Toronto with staff deployed across the province, RHRA is self-financed primarily through annual fees paid by licensees. RHRA is not part of the Ontario Government, nor is it a Crown Corporation.

RHRA has a Board of Directors accountable to the Minister for Seniors and Accessibility. A Memorandum of Understanding (MOU) with various Schedules set out the roles and obligations of RHRA and Government.

### **Vision**

Ontarians have choice and the protection they need to live with confidence and dignity in retirement homes.

**Mission**

RHRA employs the most effective means to encourage and achieve compliance, reduce harm, support residents and families in making informed choices, and enable a strong and diverse sector. Using an innovative and balanced approach, RHRA:

- Uses data, evidence, and analysis to support a risk-based approach to decision-making;
- Informs, educates and engages current and prospective residents, families, partners, and other stakeholders;
- Informs, guides, licenses, inspects and educates the retirement home sector; and
- Uses all available tools to protect residents, including enforcement.

Throughout the implementation of RHRA's Strategic Plan, we will continue to measure progress based on:

- Reduced harm to residents,
- Increased compliance,
- Increased and demonstrated effectiveness of regulatory tools,
- Greater satisfaction from retirement home operators and residents,
- Improved inspection consistency,
- Better informed residents who have a choice,
- Strong, effective relationships with relevant stakeholders,
- Data-driven decision-making,
- Operators' access to more educational/training options,
- RHRA's operational capacity to implement the Strategic Plan, and
- RHRA's leadership role as a trusted advisor for data, trends, and policy advice.

**Values**

Excellence

Fairness

Accountability

Collaboration

Efficiency and Effectiveness

## **ENVIRONMENTAL CONTEXT**

### **Moving Beyond COVID-19**

As we move away from COVID-19-dominated regulatory activity and into a new normal, RHRA continues to focus on ways to enhance our effectiveness and efficiency as a regulator.

We recognize that the pandemic has had a significant impact on residents of licensed retirement homes, operators and the sector in general and that continued vigilance, by both RHRA and the sector, must be a priority. This includes ensuring that appropriate safeguards are in place to ensure the health and safety of licensed retirement home residents and the staff that care for them. This needs to be balanced with the ability of residents to participate in activities that support their mental well-being and lifestyle, their life stage needs and enables RHRA to deliver right touch regulation appropriate in the current evolving environment.

The pandemic also underscored the importance of managing outbreaks, helping to encourage vaccination and promoting Infection Prevention and Control (IPAC) compliance, along with developing strong emergency preparedness plans that are tested annually. It also reinforced the critical need for partnerships and ongoing collaboration with other Government agencies and local community, housing and health stakeholders, which the RHRA intends on strengthening.

### **Aging Population**

Ontario's demographics show an increasingly aging and diverse population. By 2025, there will be three million older adults in Ontario – the fastest growing demographic group in the province.

The average age of a retirement home resident is 86, mostly female. According to a 2021 study by McMaster University and the 2022 Auditor General follow-up report, approximately 45 % of residents have been diagnosed with dementia. At any given time, between 10,000 and 11,000 of the nearly 70,000 retirement home residents are on long-term care waiting lists.

Ontario's retirement home sector serves the needs of older adults across the spectrum – from those living independently with few care services, to those needing some assistance with daily living, and finally to those who require memory care. As the population continues to age, it is expected that the number of older adults needing care services will expand.

The impact of COVID-19, ongoing inflation and staffing challenges have also taken their toll on the retirement home sector and licensees as they strive to meet the varied and evolving needs of residents. Furthermore, ongoing IPAC measures and direction issued by the Chief Medical Officer of Health continue to also impact occupancy rates in some retirement homes.

At the same time, public expectations demand that seniors be protected, that retirement homes be held to high standards and that RHRA as the regulator be accountable, transparent and deliver public value.

### **External Reviews**

RHRA has been subject to various reviews, including the most recent follow-up report issued by the Auditor General of Ontario in December 2022 that reported that RHRA had implemented or was in the process of implementing nearly 90% of the recommendations made in December 2020. RHRA remains committed to addressing the Auditor General recommendations and those of other reviews including the implementation of a number of recommendations made in a separate Operational Efficiency Review by KPMG and by the Legislative Standing Committee on Public Accounts.

RHRA remains fully committed to operating in a fiscally prudent manner and reducing any unnecessary administrative burden on the sector it regulates.

### **RHRA's Adaptability to Changing Context**

RHRA will continue to explore ways to proactively prevent and reduce harm through its evidence-based risk model, its inspection program, complaints handling, and compliance support and enforcement activities, by helping Ontarians make informed choices and by working proactively with the sector to create a strong culture of compliance through a right touch approach to regulation.

It is clear that residents and the retirement sector have been through many challenges and that as a regulator, RHRA needs to continue to be flexible, transparent and balanced in its responsiveness to the needs of its stakeholders.

Last year, RHRA noted several fundamental factors present before the pandemic that have been further amplified by the experience in recent years. In this context, RHRA continues to actively monitor:

- Innovations and trends in operating models within seniors' congregate care spaces;
- Increasing awareness of RHRA, driving additional regulatory activity as more residents and their families avail themselves of the protections offered;
- Changes in the age and acuity profile among current retirement home residents that may increase risk levels of homes, resulting in a corresponding requirement for an increase in inspection frequency and other regulatory activity;
- Continued exploration of options and innovations for the role of retirement homes in the broader health and housing ecosystem, particularly as it relates to solutions designed to relieve the strain on the health care and long-term care systems; and
- Extending protections in the context of evolving alternative ownership and operating models that may increase regulatory complexity as it relates to senior living.

## **STRATEGIC PLAN, BUSINESS PLAN, AND ANNUAL REPORT**

RHRA's three-year Strategic Plan, annual Business Plan, and Annual Report are the regulator's three major public reporting documents.

The Strategic Plan developed by the RHRA Board, defines the major corporate goals and the leading strategies to be used. It also includes the measures that RHRA will use and develop to track progress.

The Strategic Plan is supported by a Business Plan that defines the various activities to support each goal, which includes a three-year financial outlook that is reviewed annually. Each year's Business Plan builds on the previous, reflecting progress and new activities generated, as well as any significant environmental changes.

The Annual Report describes progress against the Strategic Plan and Business Plan commitments.

### **2024 – 2027 Strategic Plan and 2023/2024 Business Plan**

Prior to the start of the pandemic, RHRA was in the processing of implementing its five-year Strategic Plan initiatives and preparing to begin development of its next Strategic Plan. RHRA made a deliberate decision to defer development of its next Strategic Plan in light of the pandemic. RHRA did however complete a re-refresh of the Strategic Plan and developed an interim plan to guide the organization.

As such, the process for development of both the three-year Strategic Plan and the Business Plan for 2023/24 began in the Fall of 2022 with the creation of the consultation approach for the Strategic Plan. Between January and March 2023, RHRA undertook a comprehensive engagement with stakeholders representing residents and their families/decision makers, retirement home operators, industry associations, seniors' advocacy groups, health care and housing agencies, community partners, and Government.

As this Business Plan was developed concurrent with the Strategic Planning consultation, much of the focus for 2023/24 continues to be on operational improvements and completion of any deferred initiatives from the past fiscal year. RHRA also recognizes that there may be some mid-year adjustments or refinements resulting from the final Strategic Plan and it will ensure these are communicated broadly and transparently.

Last year's Business Plan identified annual initiatives and activities around four key pillars identified in its Plan for Transition. These four pillars, identified below, have now been embedded into the operations and mindset of the organization and guide how the regulator works:

- Continuing to use evidence-based research and analysis to drive the regulatory model and policy advice;
- Continuing to review and adapt its regulatory approach to the post-COVID environment;
- Continuing to build trust with the public, Government and industry; and
- Continuing to refine its infrastructure and capacity to ensure that RHRA is a nimble and responsive organization.

It should also be noted that RHRA continues to see a steady increase in various regulatory activities including the volume of reports of harm, formal complaints and resulting inspections year-over-year. While it is premature to predict whether these levels of activity will be sustained over the longer term, RHRA is closely monitoring the situation to ensure it can respond appropriately and fulfill its public interest mandate.

Finally, RHRA received its annual letter from the Minister for Seniors and Accessibility setting out the Government's expectations and priorities for the fiscal year. RHRA is fully committed to meeting these expectations through its operational activities and execution of both the 2023/2024 Business Plan and 2024-2027 Strategic Plan.

This year's Business Plan is focused on the following priorities:

- Working with the sector proactively to develop a culture of compliance that strengthens resident protection and prevents harm.
- Demonstrating continuous improvement and regulatory effectiveness.
- Applying right touch regulation where appropriate.
- Achieving efficiencies while ensuring RHRA has the appropriate resources required to fulfill its mandate and increasing workload.
- Exploring ways to reduce the administrative burden on retirement homes and a sector that has faced unprecedented staffing and financial challenges.
- Strengthening stakeholder relationships particularly with the sector, residents and their families.

## RHRA Objects

This year's Business Plan is articulated around the Objects set out in the Act and RHRA's planned activities and program areas that enable it to fulfill its mandate.

**Object 1:** *To administer the RHA and regulations, including overseeing their enforcement, for the purpose of ensuring that retirement homes are operated in accordance with the Act and the regulations. We do so by assessing compliance and intervening for harm prevention.*

**Object 2:** *To educate licensees, consumers and the public about matters relating to the Act and the regulations, including the requirements applicable to licensees, the prescribed care and safety standards for retirement homes, the rights of residents and best practices for the*

*operation of retirement homes. We do so by raising awareness and providing guidance on rights and expectations.*

**Object 3:** *To provide information about retirement homes. We do so by transparently sharing and championing information to enhance consumer protection.*

**Objects 4 & 5:** *To advise the Minister on policy matters relating to retirement homes. To suggest to the Minister amendments to Ontario legislation that it considers would further the purposes of this Act or would assist the Authority in administering the Act and the regulations. We do so by providing insightful policy advice.*

**Governance:** While not an Object, RHRA is held accountable for ensuring it meets all requirements set out in the legislation. Governance of RHRA is established through the Act, its regulations, by-laws, policies, and a recently updated MOU with the Government through the Minister.

## **Object 1**

**Object 1:** *To administer the RHA and regulations, including overseeing their enforcement, for the purpose of ensuring that retirement homes are operated in accordance with the Act and the regulations.*

RHRA assesses compliance and intervenes to prevent harm through its activities:

- Licensing
- Complaints and Client Services
- Unlicensed Home Monitoring
- Partnerships and Engagement
- Inspections
- Risk Modeling
- Compliance Support
- Investigations
- Enforcement
- Compliance Monitoring

## **Licensing**

The RHRA is responsible for issuing licences to new operators who meet the definition of a retirement home under the Act to ensure that they meet the high standards that Ontarians expect. Pre-pandemic, the sector was growing by approximately 5% annually providing prospective residents and their families a range of choice depending on their needs and lifestyles, an important tenet of the legislation. Growth over the past year was below historical levels but is expected to resume in anticipation of changes in the seniors' population and RHRA is committed to exploring ways to more efficiently process new applications and change requests.



RHRA staff licensing activities include addressing inquiries, processing new applications and notices of change, evaluating transition plans for homes that intend to surrender their licence, and determining whether any licence conditions are required.

**In 2023/2024**, RHRA expects to continue to be able to meet its service standards by processing all licence applications (50 to 55 are anticipated in 2023/2024) within its target timeframes (two to eight weeks, depending on the request, complexities and circumstances).

RHRA will do this with improved internal, cross functional interactivity using our new information technology system which will be live at the start of the fiscal year. This system will, among other things, enable our Licensing and Complaints and Client Services teams to work more efficiently with improved automation.

RHRA also intends to enhance the usability and functionality of our website:

- Making it easier and more intuitive to find information and resources online.
- The development and implementation of a licensing portal to make submissions of applicant and licensee documents more efficient for the sector.

Other new burden reduction initiatives will include:

- The development of a set of principles to help staff make decisions on when to approve requests for the reduction of suites. In addition, work will be done to standardize expectations for what applicants submit as their business/operational plans.
- Setting criteria for when our Compliance Support group is to be engaged at the time of licensing to assist applicants.
- Improving the initial licensing welcome package that is provided to new operators. This will be a useful tool that clearly sets out regulatory expectations, guidance on licence surrenders and other useful resources.

RHRA has and continues to encounter homes that experience financial difficulties, some of which ultimately may make the difficult decision to close, which can have a significant impact on the residents that live in them. As such, RHRA is:

- undertaking to look at markers for financial viability to help us better understand the range of tools and actions available to support homes and protect residents in such situations and to help more effectively assess the financial viability of applicants up front during the licensing process.

### **Complaints and Client Services**

Client Services is frequently the first point of contact for inquires and complaints from licensees, residents, health care workers and the public, and their primary objective is to achieve and exceed service level standards for responding to stakeholders where there are

reports of and/or allegations of harm or risk of harm – or Mandatory Reports. RHRA treats these reports with urgency as they involve potentially serious threats to the well-being and dignity of residents.

Year-over-year, RHRA has seen a significant increase in these types of reports made by retirement homes and their staff, health care workers, residents and their families. In 2022/2023, RHRA saw a 40 % increase in the number of Mandatory Reports and is on track to receive approximately 1,400 of these types of reports of/or allegations of harm or risk of harm. The most common reports relate to potential cases of abuse, neglect and/or improper or incompetent care. As a result, there is an expected increase of approximately 20% in the number of these reports referred to inspections from the prior year (550 expected vs. 450 prior year).

These reports range from the most egregious which require immediate onsite inspection to less serious allegations that can be resolved through remote inquiries and/or document reviews rather than an onsite inspection. For example, a report about an incident by a home, where the home has responded to the circumstances and there is no longer an ongoing risk to residents can be addressed through an inquiry to ensure that no further action is required. The intent is to use immediate onsite inspections where there is the greatest risk of harm.

The team continues to triage cases to determine the most effective and efficient means of resolution depending on the severity of the allegation. RHRA looks into every complaint it receives with an underlying objective to resolve complaints fairly, thoroughly, and as quickly as possible. RHRA uses early resolution, where appropriate, to resolve concerns to efficiently help residents and/or their families.

Last year RHRA began work identifying where citations could be used for issues completed by inquiry rather than using our inspection resources. These citations would serve as an additional and more efficient tool for timely action to ensure the safety and well-being of residents while also being less onerous for homes who can better spend time with residents. This will contribute to increased transparency for residents and their families to assist them in making informed choices.

**In 2023/2024**, we will be seeking input from licensees and other stakeholders to ensure full transparency and to provide specific circumstances in which this could be done and why. The goal is to reduce the administrative burden on homes while keeping residents safe. So, where it makes more sense, the RHRA would continue to use inquiries rather than inspections.

RHRA also continues to maintain and strengthen its privacy procedures to ensure confidentiality for the people contacting the regulator, which may include residents and their families as well as health care workers and retirement home staff.

## **Unlicensed Homes Monitoring**

On average, the RHRA receives between one and three tips each month of a congregate setting that may be operating as an unlicensed retirement home. These are facilities that may in fact meet the definition of a retirement home under the Act but have not applied for a licence and therefore may not be complying with our standards.

RHRA investigates all these tips and depending on whether an operation meets the legislative definition of a retirement home, it may order that the home either cease operating or apply for a licence.

RHRA is only one of several government entities involved in the oversight of congregate living settings. RHRA is proactive in monitoring homes that are unlicensed through a targeted approach grouping unlicensed homes into various categories based on risk and following up where appropriate. As it identifies new homes outside its jurisdiction, RHRA continues to inform the Ministry for Seniors and Accessibility (MSAA) and other Ministries to determine who has regulatory oversight or if gaps exist.

The regulator has also established strong partnerships within the community and works closely with local public health, home and community care support services and other levels of Government, to determine the kind of support residents in these settings require. These community hubs and partnerships enable RHRA to focus efficiently on its mandate while supporting local agencies.

This issue is also being considered as part of the strategic planning process.

## **Partnerships and Engagement**

The pandemic and subsequent waves associated with COVID-19 reinforced the need for strong partnerships with, and engagement of, community partners working together – especially during crises such as serious disease outbreaks and abrupt closures.

Community partner engagement has been an effective way to identify high risk situations such as Infection Prevention and Control (IPAC) and related issues, financial viability concerns, lack of care being provided, governability issues and unlicensed homes.

Continuing to strengthen these relationships is essential for protecting residents by quickly identifying issues, responding collaboratively with community, health and housing partners and ensuring all relevant regulators/agencies are involved as appropriate.

As a result of this relationship building, Partnerships and Engagement is now able to respond to approximately 90% of high-profile incidents involving Covid-19 or abrupt closures involving community partners within 24 hours to mitigate imminent resident care and safety concerns.

Partnerships and Engagement is also involved in helping to determine transition strategies for impacted residents and if emergency funding can be made available. If residents qualify, this team manages funds to ensure they provide timely and much needed support.

Partnerships and Engagement also proactively engages retirement homes directly. This ongoing outreach to the sector enables RHRA to work with homes to better understand the primary drivers of the challenges they may be facing to maintain a high level of care and comply with regulatory requirements.

This is allowing the Partnerships and Engagement team to help homes become aware of supports in their communities such as IPAC Hubs and ensure they are aware of their obligations to put residents first. RHRA also leverages partnerships with other organizations such as Home and Community Care Support Services (HCCSS) to facilitate information exchanges with retirement homes on subjects including abuse and neglect through Elder Abuse Prevention Ontario and issues of tenant rights and obligations through the Rental Housing Enforcement Unit.

**In 2023/2024**, we intend to build on these partnerships and proactively engage with the industry, individual retirement homes and community agencies.

Furthermore, these relationships provide insights into trends and concerns in the sector and community, which we will continue to share with the Ministry for Seniors and Accessibility, other regulators/government agencies and the Office of the Chief Medical Officer of Health.

### **Inspections**

RHRA carries out both proactive and responsive inspections to ensure the safety and well-being of residents in licensed retirement homes.

Every one of the approximately 780 licensed retirement homes are inspected routinely at a minimum of once every three years although some homes have multiple inspections because of their risk profiles and reports of potential harm. Year-over-year, the number of routine inspections has a planned decrease while the number of responsive and follow-up inspections remain significantly higher with an expected increase of approximately 20% – in comparison to the previous year. The increase in responsive inspections is lower than the increase in reports of harm due the increased use of procedures to address certain reports of harm via inquiry.

<b>Inspections</b>	<b>FY 2022/2023</b>	<b>FY 2021/2022</b>
	<b>Forecast</b>	<b>Actual</b>
Routine	480	812

Mandatory report inspection (s. 75)	550	447
Complaint inspection (s. 84)	35	39
Compliance inspection (s. 77(1))	110	73
Report to Registrar (s. 77(2))	25	31
Licensing inspection (s. 37)	0	3
<b>Total</b>	<b>1,200</b>	<b>1,405</b>

RHRA's approximately 20 inspectors carry out between 1,100 and 1,400 inspections annually and continually focus on making improvements to address any gaps in our work or guidance provided to homes. RHRA also continues to strengthen the consistency of our inspection approach to ensure consistent inspection outcomes and to focus limited resources on areas of greatest risk.

RHRA continues to track and review our targeted timelines for closure of inspections to meet or exceed our inspection targets for proactive inspections and achieve or exceed our service level timeline targets for responsive inspections. We aim to complete at least 90% of proactive inspections within 30 days and responsive inspections, which can be more complex, within 45 days.

### **Risk Modeling**

As an evidence-based regulator, the RHRA continues to use a risk-based approach leveraging our data and analytics in determining the frequency of our inspection schedule, with a greater focus on higher risk homes.

**In 2023/2024**, RHRA will continue to focus on improvements to its risk modeling with the primary goal being to reduce the potential of harm to residents living in retirement homes. RHRA Data and Analytics not only assist with identifying the risk profiles of homes but as the model matures, we expect to be even better able to understand other risks and how they apply to our predictive risk model.

Given the diversity of Ontario's population, another initiative scheduled for the next fiscal year is to provide Equity, Diversity and Inclusion (EDI) training for inspectors.

### **Compliance Support**

RHRA's Compliance Support Program is voluntary and designed to help those homes that are struggling with becoming compliant or maintaining compliance with the Act and regulations.

Currently, approximately 50% of homes offered this support participate and generally see sustained results.

Our staff are continuously looking for ways to increase engagement both at the individual home level, as well as at the chain level. The approximate 780 retirement homes that RHRA regulates includes a mix of chain-owned facilities, smaller licensees that operate several homes and independent operators. RHRA has had good take-up of this program from both independent and chain retirement homes which results in a greater percentage of the sector benefitting from this support. RHRA expects to close the year with approximately 85 homes having participated in compliance support (up from 42 the prior year) and expects similar volume for 2023/24.

**In 2023/24**, RHRA will continue to support the sector in being compliant by:

- Assessing materials on the website to determine what Compliance Assistance Modules and other documents should be amended based on new legislative or other requirements/direction.
- Focusing on identifying areas which are known to present higher risk for resident safety or are the subject of frequent complaints where the sector could benefit from additional guidance.
- Exploring alternative methods for delivering and enhancing these educational tools that minimize costs while sustaining efficacy.

### **Investigations**

RHRA may commence investigations when there are reasonable and probable grounds that an offence under the Act has been committed. Upon a decision being made that an investigation is the best course of action, we will prioritize the investigation to ensure it is started within two business days and completed in an expedited manner. The length of an investigation will often depend on the offence being investigated, the number of search warrants required, and the number of witness interviews and volume of evidence seized.

RHRA continues to look for ways to be as expeditious as possible while ensuring we can collect evidence in a comprehensive manner to enable successful regulatory enforcement action and prosecution.

### **Enforcement**

RHRA continues to use its enforcement tools to respond to matters identified throughout its various regulatory activities, most commonly inspections, and to establish a means of considering the overall effectiveness in reducing recidivism and serving as a deterrent for others.

Enforcement continues to review and resolve escalated cases making timely recommendations to the Registrar and Deputy Registrar on enforcement actions such as Compliance and Management Orders, Enforcement Warning Letters, and Administrative Monetary Penalties (AMPs). RHRA expects it will issue approximately 55 Orders in the current year (compared to 61 in previous year).

**In 2023/24**, RHRA intends to:

- Continue to publish enforcement-related outcomes on our website so Ontarians can make informed choices when choosing a licensed retirement home.
- Make continuous improvements to how and where enforcement-related information is located on our website so all stakeholders can easily and intuitively find relevant enforcement information.
- Consider the development and implementation of a system to track recidivism following enforcement and how this can be reported regularly.
- Begin the establishment of criteria for the removal of conditions on our website.
- Plan to review the criteria used in determining the amounts of AMPs to ensure decisions remain fair and consistent and to be transparent about the dollar amounts of AMPs levied.

## **Compliance Monitoring**

RHRA's Compliance Monitoring program is designed to assess whether a licensee is complying with Registrar's Orders and Decisions and that any failure to comply is addressed.

The program sits within Enforcement and ensures all outstanding requirements resulting from an Order or licensing conditions are addressed and implemented in a timely manner and monitored for sustained compliance over time. Compliance Monitoring ensures that licensees are well supported and accountable in meeting active conditions and Orders.

**In 2023/2024**, we will continue to monitor and evaluate the effectiveness of this relatively new program and to make improvements to ensure that homes are complying with their regulatory obligations as a result of a directed action from the regulator.

## **Object 2**

**Object 2:** *To educate licensees, consumers and the public about matters relating to the Act and the regulations, including the requirements applicable to licensees, the prescribed care and safety standards for retirement homes, the rights of residents and best practices for the operation of retirement homes.*

RHRA educates licensees, consumers and the public about these matters by:

- Answering questions from the public and the sector
- Developing licensee education resources

- Setting compliance standards
- Raising public awareness and education
- Conducting stakeholder engagement and outreach

### **Answering Questions from the Public and the Sector**

As previously noted, Client Services is usually the first point of contact for most inquiries from the public and retirement homes. RHRA handles a range of inquiries through its 1-855-ASK-RHRA or [Info@rhra.ca](mailto:Info@rhra.ca).

These inquiries include, but are not limited to, COVID-19 measures and outbreak guidance, compliance inquiries regarding requirements under the Act/Regulations, inquiries about information on the RHRA database and finding a licensed retirement home.

As RHRA continues to raise awareness and its profile increases, it will continue to monitor volumes to ensure that it is appropriately resourced.

### **Compliance Standards and Licensee Resources**

As previously noted, Partnerships and Engagement and Compliance Support work closely and proactively to educate and support licensees' understanding about their regulatory responsibilities and to assist them to comply. As well, a number of RHRA's inspectors have worked directly in the retirement home sector, understand the practical realities that operators face and can assist them in achieving compliance.

In addition, the RHRA website provides information and resources for industry stakeholders and retirement home operators. We are exploring ways to make the website more user friendly and relevant and will continue to improve Frequently Asked Questions and other resources based on feedback we receive.

**In 2023/24**, we will continue to work closely with licensees to develop and distribute materials to prospective and current residents and their families highlighting the benefits of living in a licensed home and the standards to which they are held. While we continuously follow up on tips about potential unlicensed homes and encourage prospective residents and their families to determine if a home they are considering is licensed, most Ontarians are not aware of the potential risk of moving into an unlicensed facility.

### **Public Awareness and Education**

RHRA has produced a number of educational materials and helpful resources to help Ontarians understand the importance of regulation and the benefits of choosing a licensed retirement home.



For example, RHRA's online searchable database of all licensed retirement homes in the province provides useful information by the type and size of home, the care services offered (to support independent living to full memory care), any previous enforcement actions, and access to all inspection reports.

While RHRA works proactively with its community partners and the sector to keep residents safe and prevent harm, it is important for residents and their families to understand the protections afforded by choosing a licensed retirement home, the Residents' Bill of Rights and what to do if something goes wrong.

**In 2023/2024, RHRA intends to:**

- Create a suite of short, relevant materials in print and electronic format that licensees can share with residents and prospective residents highlighting the standards to which licensed homes are held.
- Leverage existing partnerships and establish new ones to help disseminate information that will help seniors make informed decisions.
  - o For example, Ontarians often seek our help from their family physicians and medical practitioners specializing in geriatric care when making decisions to transition to a retirement home or long-term care facility. As such, we are exploring ways to engage physicians, and other health care providers, in sharing helpful information with patients and their families.
- RHRA will also explore opportunities to participate in conferences, trade shows and events like the annual Together We Care show and other forums hosted by seniors' groups like CanAge and Elder Abuse Prevention Ontario and other community organizations.
- Given the increasing diversity of Ontario's population, RHRA will also work with ethno-cultural media publications and community newspapers to reach seniors from various communities and for whom English may not be their first language.

### **Stakeholder Engagement and Outreach**

Over the past year, RHRA produced a comprehensive Collaboration Report to provide an overview of the regulator, why regulation matters and how we work with stakeholders and licensees to protect seniors from harm. As a result, RHRA has met with various elected officials at provincial and municipal levels of government to help them help their constituents. We will continue these meetings with government officials and their constituency staff to raise awareness and assist them with their work in the community.

RHRA regularly meets with its Stakeholder Advisory Council (SAC), which is mandated in the Act, to get their input, perspectives and feedback on regulatory matters, new initiatives and ongoing trends to better understand the needs of residents, retirement homes, health care professionals and seniors' organizations.

**In 2023/24**, we will continue to:

- Look for ways to engage SAC further and to establish other forums and/or working groups to involve other licensees who expressed interest in participating in the SAC to obtain their frontline perspectives.
- Explore ways to engage more residents directly throughout the province and to get a better representation of those who reside in the approximately 780 licensed retirement homes in Ontario.

RHRA's new information technology system will also aid RHRA in building a client relationship database to enable us to track and communicate with all stakeholders more effectively.

### **Object 3**

**Object 3:** *To provide information about retirement homes.*

We do so in a transparent manner to enhance consumer protection through:

- Data analysis and publication
- A searchable licensed retirement home database

#### **Data Analysis and Publication**

Transparency is critical to enhancing consumer protection. As a regulator, the information RHRA collects provides important insights that helps improve its regulatory model and enables it to apply right touch regulation.

This data, including our online retirement home database, also help consumers make informed decisions when choosing a licensed retirement home.

Last year RHRA began improving transparency around complaints so that Ontarians and retirement homes would be aware of the types and frequency of complaints we receive so that they can make informed decisions and to proactively build a culture of compliance with the sector.

**In 2023/2024**, RHRA will:

- Explore new ways to increase transparency which may include producing an annual enforcement/safety/risk report in the future.
- Continue to automate our functions so we can be more efficient and improve our ability to track, report and analyze patterns of harm to residents through what we call harms mining.

In addition, RHRA began collecting data during the pandemic about COVID-19 outbreaks and hospitalizations, which we continue to publish online and share with Government and

community and health partners. Collection of this information has also enabled the regulator to work directly with operators to adopt mitigation strategies to reduce potential harm to residents. Moving forward, RHRA will continue to focus on working with licensees to ensure that their emergency and pandemic plans are updated and tested regularly.

RHRA uses evidence-based data collection, research, and analysis to drive our regulatory operations and is continuously improving our risk model with the goal of reducing the potential for harm.

Recognizing that the majority of licensees comply with regulatory standards and are committed to providing safe and secure environments for their residents, this risk-based model allows us to take a right touch approach to regulation focusing on higher risk circumstances.

RHRA will also continue to educate the public and sector to understand the risk-based approach and intends to create and make public a risk-based oversight guide.

Like other regulators, RHRA needs to collect information about the sector it regulates to fulfill its public interest mandate and ensure it is applying proportionate regulation. The approximately 780 licensed retirement homes RHRA currently regulates represent a diverse set of business models, ownership structures and care service offerings. As such, RHRA is continuing to explore the kind of data it needs to collect annually so that it can leverage this information for right touch regulation while focusing on harm prevention. RHRA's data collection requirements continue to evolve as the industry evolves. RHRA intends to continue to engage all stakeholders, particularly the sector and the retirement homes it regulates, in determining how best to implement efficient and effective annual information reporting.

### **Searchable Licensed Retirement Home Database**

As previously highlighted, RHRA's online searchable database of licensed retirement homes provides important information to prospective and current residents and their families. RHRA is focusing on continuous improvements to improve searchability and functionality of this database and to interpret the information as it relates to inspections and enforcement actions.

### **Objects 4 & 5**

**Objects 4 & 5:** *To advise the Minister on policy matters relating to retirement homes. To suggest to the Minister amendments to Ontario legislation that it considers would further the purposes of this Act or would assist the Authority in administering the Act and the regulations.*

RHRA does so by providing insightful policy advice through:

- Collection of data to inform policy advice.
- Providing advice on other legislation relevant to retirement homes.
- Providing advice and recommendations to the Minister on the Act.
- Interacting with the MSAA on issues related to legislation and the sector.

Our focus is two-fold: 1) to advise the Minister on policy matters relating to retirement homes, suggesting legislative amendments that would further the purpose of the Act, and/or 2) assist RHRA in administering the Act and regulations more effectively and efficiently.

One area of RHRA's focus is on the definitional criteria for a retirement home and how they are applied to various housing models. Work in this area will provide clarity to RHRA's regulatory operations teams on how to interpret and apply the criteria. RHRA will also be working on public facing documents to provide clarity to retirement homes, residents, system partners and others.

**In 2023/24**, RHRA expects to continue to provide information to the Minister and the Office of the Chief Medical Officer of Health in relation to the measures for retirement homes to continue to manage and report on outbreaks and cases related to COVID-19 and other infectious diseases.

Given our front-line interactions with retirement homes, residents/families, and community partners, RHRA is very attuned to the need to balance protecting both physical and mental well-being of residents while not adding administrative burden. We will continue to explore ways to reduce the regulatory burden while safeguarding residents.

Our Data and Analytics group has been able to effectively mine the data we collect and work with our partners at HCCSS and public health to share and calibrate COVID-19 data to better understand the evolving environment. Through these efforts we have also been able to better understand the numbers of residents living in licensed retirement homes waiting for long-term care placement.

**In 2023/24**, we will build on these efforts trying to get a better understanding of the acuity levels of residents living in retirement homes waiting for long-term care placement through this ongoing data partnership. We believe that this type of information will be valuable for informing our regulatory activity, as well as for other Ministries and decision-makers in Government and public health.

It is anticipated that the strategic planning process may identify new policy priorities.

## **GOVERNANCE**

The governance of RHRA is established through the Act, its regulations, by-laws, policies, and a recently updated MOU with the Government through the Minister. RHRA has been working with the Ministry to finalize Schedules associated with the MOU that relate to corporate reporting and information sharing before moving on to other associated Schedules for 2023/24.

RHRA is governed by a Board of Directors which is accountable to the Minister through the Chair of the Board. The Minister designates the Chair from among the members of the Board of Directors.

The Board of Directors comprises of nine members, five of whom are elected and four appointed by the Lieutenant Governor in Council. Board member profiles are available at <https://www.rhra.ca/en/about-rhra/governance-and-accountability/>.

The Risk Officer is a statutory role that reports to the Board and exercises an independent role requiring independent decision making. Appointed by the Board, with the Minister's consent, the Risk Officer is responsible for reviewing, monitoring, and assessing the effectiveness of RHRA's administration of the Act, including its activities directed at ensuring that licensees meet care and safety standards and ensuring the rights of residents are respected. The Risk Officer is working on his report for the 2022/23 year related to transparency which will help inform future activity.

A second independent statutory role requiring independent decision making, the Complaints Review Officer, is appointed by, and reports to, the Board. It is responsible for reviewing complaints where a complainant is not satisfied with the Registrar's decision regarding their complaint.

The Board maintains its role in enterprise risk management of the RHRA. It is committed to ongoing efforts that continually strengthen its governance practices and oversight of the organization.

To support provisions within the Act and RHRA's French Languages Services Delivery Policy, available on the RHRA website, RHRA will continue to make its communications and information available in French to meet the needs of the Francophone communities that RHRA serves. RHRA responds to all requests for French services.

RHRA is committed to continuing to fulfill its obligations to meet the accessibility needs of persons with disabilities in a timely manner in accordance with the Accessibility for Ontarians with Disabilities Act, 2005 (AODA).

Complaints or concerns related to the administration of RHRA may be formally written or verbal. Both are acted on by RHRA staff to seek resolution.

Complaints are tracked in a confidential database, including details of the complaint, RHRA actions and responses, and timelines to resolution. In addition, RHRA's policy on administrative complaints is available on the RHRA website.

#### STAKEHOLDER ADVISORY COUNCIL (SAC)

In the governance of RHRA's operations, the Board and staff have consistently sought input from its various stakeholders. Integral to its consultation process is its SAC, which includes representatives of key stakeholder groups. RHRA has adopted a practice of referring matters that may impact residents, their families, operators and/or other stakeholders to SAC for feedback and advice. However, RHRA is not bound by the deliberations or advice provided by SAC.

Members of SAC must agree to abide by the relevant sections of the MOU, by-laws, and the Board's policies including the Code of Ethics and the Access and Privacy Code. Its scope includes:

- Providing advice on issues pertinent to the business of the Board, and guidance of an "ongoing" or "ad hoc" nature on specific matters; and
- Identifying issues they recommend to the statutory officers and Board for specific attention.

In addition, RHRA engages stakeholders in project-specific working groups, pilot test groups and targeted outreach as appropriate. Information about the SAC can be found at [www.rhra.ca](http://www.rhra.ca).

## **FINANCIAL POSITION**

Over the last year, RHRA focused on seeking and implementing operational efficiencies and attaining financial stability. An independent operational efficiency review highlighted potential saving opportunities and recommended changes to the Fee Schedule, which were implemented effective January 2023. All the quantified cost-saving opportunities identified in the independent operational review will be addressed by the end of Q1 fiscal year 2024, as some of the cost savings are dependent on completing the implementation of the new information technology system.

RHRA has improved its financial position entering the 2023/2024 fiscal year. Fee adjustments in 2023, along with the implementation of cost savings opportunities as identified in the independent operational efficiency review, have contributed to the improvement in financial position. RHRA is committed to achieving a balanced budget while seeking to offset upward pressure on increased responsive regulatory activity.

The fiscal pressures have resulted in RHRA:

- Reducing some operational activities
- Suspending some strategic projects
- Deferring and/or extending the implementation of some of the Auditor General and RHRA's Risk Officer recommendations

The fiscal year 2023/2024 is forecasted to result in a break-even budget (\$8K surplus). The operating deficit of \$283K is offset by the non-operating surplus of \$292K which consists mainly of investment income.

RHRA is considering adjusting the timing of future fee schedule changes. A final decision will be made after stakeholder consultations, particularly with the sector. As such, no annual fee increase is included as part of this plan for the 2023/2024 fiscal year.

The main focus in 2023/2024 will be on completing the assessment of RHRA's financial position by: (1) ensuring that cost savings opportunities are implemented and (2) fees are set to ensure that all costs are recovered as per the Act.

RHRA's Strategic Plan will be completed in the first quarter of fiscal 2023/2024. The plan will include financial considerations to ensure that we are able to sustain the increased regulatory activity with appropriate resourcing while operating efficiently and cost-effectively.

### **Revenue**

The 2023 fee schedule was communicated in October 2022. There is no fee increase budgeted for 2023/2024. A final decision on any fee schedule changes will be made in Q2 of fiscal 2023/2024 after the annual fee consultation process.

The annual fee for 2023/2024 is \$14 per suite per month. The budget includes an assumption of 2% additional suite growth during the year. Assumptions for suite growth are based on experience during the current year. As the Business Plan is being developed concurrently with the Strategic Plan, the 3-year forecast will be finalized when the Strategic Plan is complete and fully costed. An assumption of an inflationary increase for the annual fee of 5% for fiscal year 2025 and fiscal year 2026 is included while plans are being finalized.

Application fees are assumed to be \$581K in both fiscal year 2025 and fiscal year 2026. Refined estimates will be available next year based on industry activity over the next 12 months.

Amortization of Capital Grants represents Government funding received in the past for the information technology project, which is being amortized over the estimated life of the software.

### **Expenses**

Total operating expenses are 102% of total revenue. Compensation costs are the primary expense for RHRA and comprise 78% of all expenses. In its review, KPMG had recommended that RHRA engage an independent consultant to conduct a compensation survey to determine how the organization benchmarks against similar organizations and regulators. This is consistent with RHRA's past practice and the results of the compensation survey are incorporated into the budget for 2023/2024. Salaries, wages and benefits reflect operational efficiencies identified by KPMG as well as recommendations from the independent compensation survey. Total Full-time Equivalents (FTEs) have remained at 74 similar to fiscal year 2023. Fiscal year 2025 and fiscal year 2026 increases in compensation reflect a potential increase in FTEs based on trends of increasing regulatory activity levels that cannot be fully offset by efficiency gains. Final decisions on appropriate staffing needs will be made when the Business Plans are finalized for those years.

The Emergency Fund balance is expected to close with a balance of \$698K in 2023/2024, which is in line with the RHRA's Emergency Fund Contribution Policy. The Fund's status will continue to be monitored by the Board during the year.

RHRA is presenting below a budget approved by its Board of Directors in February 2023. Fluctuations are expected in any such forecast as assumptions and operating conditions change over time. In developing this budget, RHRA has incorporated recommendations made in the independent operational review findings.

A summary of the forecasted statement of operations follows:

Retirement Homes Regulatory Authority

## Statement of Operations

3 - year Forecast

	2023/24 Budget	2024/25 Projected	2025/26 Projected
	\$	\$	\$
<b>Operating Revenue</b>			
Annual fees	11,746,162	12,700,000	13,350,000
Application fees	690,125	581,000	581,000
Administrative Fees	46,000	50,000	55,000
Amortization of capital grants	280,306	280,300	280,300
<b>Total Operating Revenue</b>	<b>12,762,594</b>	<b>13,611,300</b>	<b>14,266,300</b>
<b>Operating Expenses</b>			
Salaries, Wages and Benefits	10,118,337	10,700,000	11,200,000
Operating	2,517,198	2,750,000	2,800,000
Amortization of capital assets	410,459	446,000	440,000
<b>Total Operating Expenses</b>	<b>13,045,994</b>	<b>13,896,000</b>	<b>14,440,000</b>
<b>Operating Surplus/(Deficit)</b>	<b>(283,401)</b>	<b>(284,700)</b>	<b>(173,700)</b>
<b>Non-Operating Surplus/(Deficit)<sup>1</sup></b>	<b>291,878</b>	<b>327,000</b>	<b>230,000</b>
<b>Total Surplus/(Deficit)</b>	<b>8,478</b>	<b>42,300</b>	<b>56,300</b>
<b>Net assets, end of year</b>	<b>7,121,260</b>	<b>7,163,560</b>	<b>7,219,860</b>
<b>Reserves</b>			
Unrestricted reserve	(3,951)	1,083	41,704
Operating reserve	6,415,986	6,431,086	6,552,950
Emergency Fund	697,801	722,811	748,571
<b>Total Net Assets</b>	<b>7,109,836</b>	<b>7,154,980</b>	<b>7,343,225</b>
<b>Operating Reserve balance in months of budget expenditures</b>	<b>5.9</b>	<b>5.6</b>	<b>5.4</b>

<sup>1</sup> Represents investment income and contributions to the Emergency Fund



## **PERFORMANCE MEASURES**

For the past several years, RHRA has reported outcomes on three high-level objectives that have the greatest impact to improve the protection of residents living in retirement homes: levels of risk (safety), compliance and transparency. Measures to evaluate the effectiveness of targeted activities and programs year-over-year were set out in our previous Annual Reports.

As a risk-based regulator, a central evaluation measure of the RHRA's performance is whether, over time, the RHRA's efforts are reflected in changes in the risk profile of its licensees, its compliance support efforts and awareness by consumers/residents for RHRA and its mandate.

RHRA has drafted a set of performance measures related to its core objects which is near completion. This framework was also referenced in the Auditor General's report which included a recommendation that the Ministry work to finalize this framework with RHRA. The Strategic Plan, once finalized, will provide additional strategic measurements to monitor its progress against the plan and will be a supplement to the performance measures for core objects.

### **Safety**

RHRA currently measures the impact of the enhancements to its regulatory approach by assessing changes in the risk levels of Ontario's licensed retirement homes based on observed non-compliances. RHRA tracks the number of homes that fall into the high-, medium- and low-risk categories. Risk is assessed on several dimensions including citations on areas where there is high risk of harm, the overall compliance history with respect to time and other factors such as extra expense insurance. RHRA has continued to re-evaluate this measurement framework and will work with the Ministry to adjust this approach during this fiscal year.

### **Compliance**

RHRA currently measures its goal of increasing compliance by tracking citations related to complaints procedures. We have implemented training and developed support materials to help homes improve their performance by reducing the number of citations related to complaints handling. RHRA continues to expand its library of compliance support materials and will expand and refine compliance-related performance measures accordingly.

### **Transparency**

RHRA currently measures consumer awareness of the organization and the licensing requirement through a survey of the general population. RHRA also measures awareness of the existence of a regulatory body for retirement homes, the results of which are published in the Annual Report. We are continuing to explore other metrics to help us gauge awareness and usage of our online resources.

## **RESOURCING**

### **Hybrid Work Environment**

Like many organizations, the RHRA has moved to a hybrid work environment post pandemic. As such, we are continuing to refine our internal policies in this area.

We recognize that there are efficiencies in having staff work from home and holding virtual meetings and events. In addition, a significant portion of RHRA staff works in the field conducting inspections of retirement homes across the province so having them located in various regions makes it more efficient to do their jobs. Offering this type of approach also assists in recruiting and retaining top talent in a competitive employment environment.

At the same time, RHRA recognizes that some face-to-face opportunities help to build a strong collaborative internal culture.

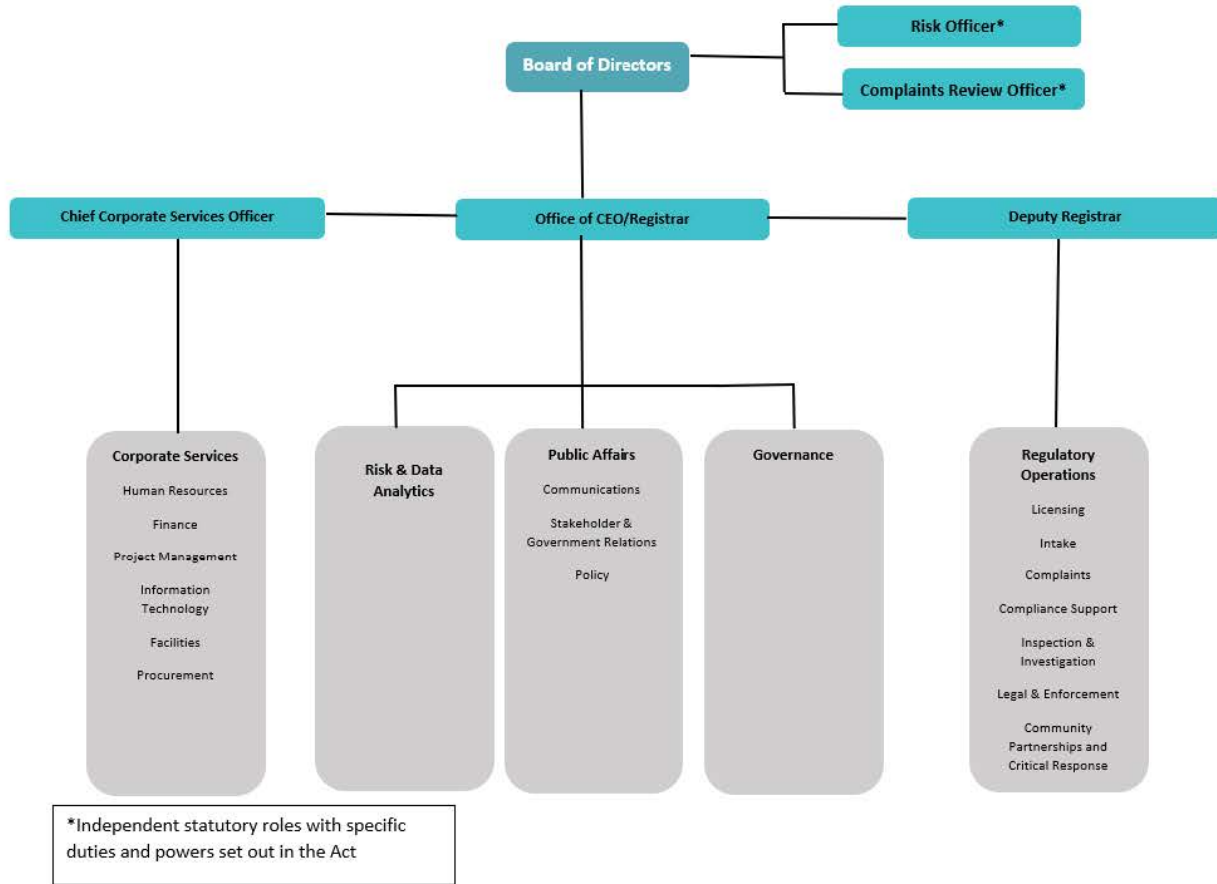
RHRA has continued to invest and focus on automation and updating of our various systems. These upfront investments will over the long-term result in cost savings and efficiencies in our day-to-day work, also resulting in more streamlined processes for licensees.

### **Human Capital**

RHRA has an organizational structure that enables it to effectively and efficiently carry out its public interest mandate. Although RHRA does not anticipate any major organizational changes, we will continue to make refinements in order to continue to be a nimble and responsive, outcomes-focused regulator that delivers value to its stakeholders.

Moving forward, RHRA will continue to develop its existing talent and strengthen succession planning program to ensure the organization has stability and continuity as it adapts to the evolving environment.

The organization of functions is reflected in the chart outlined below:





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