

What we know about the cost of a standard day in long term care in Canada

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Introduction

With Canada's aging population, the long-term care sector represents a critical component in ensuring a sustainable health care system. To fill information gaps on reporting of health spending in this sector, Canadian Institute for Health Information (CIHI) has developed the Cost of a Standard Day in Long Term Care indicator to measure the relative cost-efficiency of an organization's ability to provide services to long-term care residents.

Methods

This indicator compares an organization's total resident care expenses with the number of resident days, while considering resident complexity. The result is the average cost per day to care for a standard resident. This indicator leverages data from two sources. The expenses and resident days of each organization are from CIHI's financial database - The Canadian MIS Database (CMDB). The CMI information used to adjust resident complexity is from CIHI's clinical databases - The Continuing Care Reporting System (CCRS) and The Integrated interRAI Reporting System (IRRS). The five-year (2019-2023) results are calculated by facilities, regions, and provinces in Canada.

Results

The results show geographic variations in the average cost per day to care for a resident in long term care, as well as an overall increase for all jurisdictions in Canada over the five years. Please note that the period includes COVID years; special funding and/or change in resident volume may all play a role. When breaking the total cost (the numerator) into two parts, the health component accounts for two thirds of the total cost and most of this cost is for direct nursing care; the non-health component accounts for the other one third of the total cost and the cost is split between accommodation/hospitality and administration. Although distribution of the cost components remains similar, the accommodation/hospitality portion shows the most increase over time.

Discussion/Conclusions

The session will offer participants a better understanding of how the full cost of caring for a resident is determined, what types of expenses are used, how a resident's clinical complexity is reflected in the indicator. The session will also help participants gain insight into how long-term care costs vary in Canada and how the Canadian healthcare system is performing; they can also learn the ways to monitor changes within the organization over time and identify best practices across peer organizations.

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