

Ministry of Health and Long-Term Care

**Chronic Care Hospital
Co-Payment:
Frequently Asked Questions**

July 2014

Table of Contents

A. GENERAL CO-PAYMENT INFORMATION	3
C. FINANCIAL ASSESSMENT.....	4
D. COMFORT ALLOWANCE.....	6
E. CHRONIC CARE HOSPITAL CO-PAYMENT FORMS.....	6
F. OTHER HOSPITAL SETTINGS.....	6

A. General co-payment information**1. What is the chronic care hospital co-payment?**

A patient who, in the opinion of the attending physician, requires chronic care and is more or less permanently resident in a hospital or other institution, including an alternative level of care (ALC) patient waiting for long-term care (LTC) home placement, is required to pay a co-payment towards the cost of their accommodation and meals.

B. Chronic care co-payment rates**2. What is the maximum co-payment rate effective September 1, 2014?**

Effective September 1, 2014, the maximum co-payment rate is \$56.93 per day (or \$1,731.62 per month) for chronic care hospital patients, including an ALC patient waiting for LTC home placement.

3. When can a patient be charged a co-payment?

The patient can be charged the co-payment on the day when, in the opinion of the attending physician, the patient requires chronic care and is more or less a permanent resident in a hospital, including an ALC patient waiting for LTC home placement.

4. How have the co-payment increases been determined?

The ministry is increasing the basic daily maximum co-payment rate by the Consumer Price Index (rate of inflation) for 2013 plus an additional 0.5% to partially account for inflation for 2010, which was not previously implemented. The total increase effective September 1, 2014 is 1.4%.

$$\$56.14 \times (1+1.4\%) = \$56.93$$

5. When will the chronic care co-payment be changed again?

The chronic care co-payment has historically been adjusted annually. This change generally occurs on July 1 of each year.

Note: Hospitals are required to give patients at least 30 days written notice of any increase (Reg. 552 made under the *Health Insurance Act*, subsection 10(4)).

6. What date should be used as a start date for co-payment charges?

The physician's determination that the patient requires chronic care and is more or less a permanent resident of a hospital or other institution is the start date for co-payment charges.

C. Financial Assessment

7. Do all chronic care patients pay the full co-payment rate?

No, low-income patients are eligible to apply for a reduced co-payment rate. Hospital administrators should refer to Table 1 below that outlines estimated monthly family income levels that guide a patients' eligibility for a reduced rate. The reduced co-payment rate determined by hospital administrators depends on the patient's aggregate monthly family income, and the number of dependents that a patient has.

Income level will be established by a declaration of estimated income of the patient and his/her dependants. Patients may be required to provide financial information to the hospital.

Table 1 shows the monthly family income levels that correlate with lower chronic care co-payment rates.

Table 1: Monthly aggregate family income determining chronic care co-payment rates effective September 1, 2014

FAMILY SIZE	NO CO-PAYMENT	PAY LOWER CO-PAYMENT	PAY MAXIMUM CO-PAYMENT
One dependent	\$3,828 or less	\$3,829 - \$9,023	\$9,024 or more
Two dependants	\$4,375 or less	\$4,376 - \$9,571	\$9,572 or more
Three dependants	\$4,874 or less	\$4,875 - \$10,070	\$10,071 or more
Four or more dependants	\$5,319 or less	\$5,320 - \$10,515	\$10,516 or more

For purposes of chronic care co-payment rates, a "Dependant" means:

- a. a spouse
 - a spouse not receiving benefits under the *Old Age Security Act (Canada)* or the *Ontario Guaranteed Annual Income Act* and
 - who was co-habiting with the insured person immediately prior to the person being admitted to the hospital, or if continuously hospitalized, immediately before first admitted; or
- b. a child under 18 years of age.

For purposes of chronic care co-payment rates, "Estimated Income" means:

- the average monthly income of any nature or kind whatsoever, so long as it is taxable under the *Income Tax Act* (Canada) of an insured person or of a dependant of an insured person, as estimated by the insured person or the insured person's representative, including :
 - a. Payments made under any Act of Parliament of Canada or by Ontario Law, except for payments made under the *Universal Child Care Benefit Act* (Canada) and/or payments made into a Registered Disability Savings Plan;
 - b. Income from salaries and wages;
 - c. Income from interest in or operation of a business, less expenses incurred in earning, such as gross income; and
 - d. Income from investments, less expenses incurred in earning such income.
- If income falls in the range for partial rate reduction, patients will pay a portion of the co-payment.

A patient may apply to pay a reduced chronic care co-payment if experiencing financial hardship and they do not qualify for a rate reduction under the criteria outlined in Table 1 above. In such cases, it is within the discretion of the hospital to waive a portion of the fee payable.

8. How does the hospital calculate income for patients applying for a reduced co-payment rate?

The gross income of the patient and his/her dependants is used.

- For a patient with no dependents, income is monthly estimated income; and
- For a patient with dependents income is total aggregate estimated monthly income for family.

In both cases, as defined within section 10 (11) of the regulation, "estimated income" means the average monthly income of any nature or kind whatsoever, so long as it is taxable under the *Income Tax Act* (Canada)".

9. When calculating the co-payment, does the hospital assess the assets I own such as my home?

No, assets are not valued in the determination of what a patient can pay towards their co-payment.

D. Comfort Allowance**10. What is the comfort allowance?**

The Ministry ensures that low income patients can keep some income to cover personal expenses after paying their co-payment. This is known as a comfort allowance.

Patients may use their comfort allowance to buy/pay for a number of items such as clothing, hairdressing, telephone services, cable, gifts etc.

11. What is the current amount of the comfort allowance?

The current comfort allowance is \$136/month.

12. When is the Comfort Allowance increased?

The comfort allowance usually increases in line with the personal needs allowance (PNA) for the Ontario Disability Support Program (ODSP). No increase to the PNA has been approved for 2014.

E. Chronic care hospital co-payment forms**13. Where can I download the forms to apply for a reduced chronic care co-payment rate?**

The chronic care hospital "Co-payment Calculation" form is available on-line at www.forms.ssb.gov.on.ca.

14. Can I use last year's forms to calculate the co-payment?

Yes, the current forms can still be used by patients to apply for rate reductions and calculate co-payment rates. However, it is recommended to always access the most recent forms on-line.

F. Other hospital settings**15. Can rehabilitation and convalescent care patients be charged a chronic care co-payment?**

A co-payment for accommodation and meals that are insured services must be made by or on behalf of a patient who, in the opinion of the attending physician, requires chronic care and is more or less a permanent resident in a hospital or

other institution. A patient who does not meet these criteria is not required to pay the co-payment.

16. Can a hospital patient who is awaiting placement in a retirement/rest home or group home be charged the co-payment?

No. This is because the patient is NOT more or less a permanent resident of the hospital. The patient is waiting to return to the community.

17. Can a hospital patient who is receiving palliative care be charged the co-payment?

No. Patients receiving palliative care cannot be charged the co-payment as they have not been deemed as requiring chronic care by an attending physician.

18. Can patients in public psychiatric hospitals be charged the chronic care co-payment?

No. The co-payment is not applicable to patients in psychiatric hospitals. Only a patient who, in the opinion of the physician, requires chronic care and is more or less a permanent resident in a hospital or other institution may be charged the chronic care co-payment.