



## A Note from our CEO

May 29, 2020

There will be time, after we beat this virus, when we look back on what we collectively accomplished through this pandemic. No doubts we then will be even more proud of being a part of this exceptional company. A company made of people for whom serving and caring for seniors is a calling and a purpose. People who always choose to do the right thing, no matter what pressures of the day might be. People who are truly guided by our vision of Making People's Lives Better. People who are also humble and willing to learn from their experiences, change and adapt to continue to get better at what they do. This is Chartwell that I am so honoured to be a part of.

Unfortunately, this pandemic is not over yet, this virus will stay with us for a while. That is why as provinces begin to lift restrictions and reopen the economy, we will have to continue to be cautious and vigilant in protecting our residents, their families and each other. It is with this in mind our teams have been working to update our safety protocols for new resident move-ins and prospective resident property visits. There is a growing need for our services in the community and we will make sure that we fulfill this need in a responsible manner, always prioritizing safety over everything else.

There continues to be significant amount of negative press focused on the Ontario long term care sector. The recent report from the Canadian Army on five Ontario LTC homes has been sad, disturbing and disheartening for so many people heroically working in the sector in these most challenging conditions. These are not Chartwell homes. These five homes had been hit the most by the COVID-19 outbreaks and are in no way are they representative of all of 629 Ontario LTC residences. My sympathies and thoughts are with families of those directly impacted by this virus.

The early days of this pandemic have been challenging for all long term care and retirement operators. Public health directives were neither clear nor consistent. When homes had gone into an outbreak, some staff members got sick and could not work, some were simply afraid to come to work. Through the tremendous efforts of our corporate support teams and heroic work of our front line staff we were able to stabilize situations in our homes relatively quickly. I am so grateful to all Chartwell people for their courage and unwavering commitment to our residents.

With so much media focus being on the Ontario Long Term Care sector, particularly on the alleged inferiority of the privately held residences compared to not-for-profit or municipal homes, I'd like you to better understand the facts so you too can help respond to questions from residents, staff, family members and your own personal network.

Revenue in Ontario LTC is 100% controlled by the government. No profit can be generated from government funding for resident care and services. What is not spent on care and services is returned to government. The funding allocation that controls staffing levels are based on what is known as the Case Mix Index (CMI) which the Ministry of Long Term Care determines on an annual basis taking into

account resident acuity levels in each individual home. There is no difference between private, municipal and not-for profit homes in this.

The analysis of quality of care, as measured by universal Health Quality Ontario (HQQ) LTC Quality Indicators (QI's) shows that there is no difference in outcomes between private, not-for-profit or municipal homes (foot note this is long term). Chartwell's LTC team has strong experience and deep expertise in the sector and we have had consistently strong record of performance with respect to publicly reported QI's when compared to Ontario's provincial average. Our results on Qis have particularly improved in the recent years, in part due to the implementation of our exceptional 'Imagine" program, which is focused on training of our front line staff.

Of Ontario's 626 long term care homes, 38% are older residences, built to the 1972 design standards. These homes include a significant number of 4-bed wards and semi-private rooms. Isolation and cohorting of residents during outbreaks in these types of accommodation is extremely challenging and sometimes not possible. Of these older homes 83% are privately owned. The redevelopment program for these homes, where more than 30,000 Ontario long term care residents live, have been repeatedly announced by various governments since 2007, however there has never been sufficient funding to allow for such redevelopment to take place. Sadly, death rates in these older homes are significantly higher than in other LTC homes.

The story not told is that the many of the newer LTC homes referenced as having better COVID-19 outcomes are in fact a result of the construction of 20,000 long term care beds and the redevelopment of an additional 16,000 beds announced by Chartwell's Board Chair and former Premier Mike Harris and his government in 1998. Mr. Harris's government added much needed capacity to the long term care system with more modern buildings that today support more efficient infection control, cohorting and isolation protocols.

The LTC Commission in Ontario is an important step in the public understanding of historical systemic issues including funding, staffing, capital investment and redevelopment. As well, we hope the government will head the call for urgent interim investments to help long term care homes during COVID-19.

As we are getting into the summer months, I want to thank you all for the exceptional work you have been doing, especially during this pandemic. Please find a way to take some time for yourself, rest, spend some quality time with your loved ones and recharge. This company needs you, our residents need you and our society needs you. Thank you. For everything.

Vlad Volodarski  
*Chief Executive Officer*