



Project Report: Achieving Value for Money Vancouver Island Health Authority Residential Care and Assisted Living Capacity Initiative



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Purpose of this Report

Partnerships British Columbia (Partnerships BC) and the Vancouver Island Health Authority (VIHA) are committed to measuring and demonstrating the value for money achieved on the Residential Care and Assisted Living Capacity Initiative. Value for money is a broad term that captures both quantitative factors, such as costs, and qualitative factors, such as service quality and schedule.

This report is intended to provide a clear sense of how value for money was measured and how it is expected to be achieved in the context of current market conditions.

Value for money is one of six key principles guiding public sector capital asset management in British Columbia (B.C.). The others are:

1. Sound fiscal and risk management;
2. Strong accountability in a flexible and streamlined process;
3. Emphasis on service delivery;
4. Serving the public interest; and
5. Competition and transparency.

Since 2002, these principles have guided the B.C. public sector's approach to acquiring and managing assets such as roads and health care facilities.

Under the *Capital Asset Management Framework*, ministries and other public bodies are encouraged to consider all available options for meeting their service objectives. Each option should be analyzed considering the qualitative and quantitative advantages and disadvantages, and the preferred option would be the one that overall best meets service delivery needs and makes the best use of taxpayers' dollars.

For more on the Province's Capital Asset Management Framework, please go to <http://www.fin.gov.bc.ca/tbs/camf.htm>

1 Executive Summary/Highlights

1.1 Project Background

The Vancouver Island Health Authority (VIHA) recently completed a Five Year Strategic Plan (the Plan) to anticipate changing healthcare needs in the areas it serves, and to determine its healthcare priorities to 2010.

With a higher proportion of elderly residents than Canada as a whole, VIHA projected a significant increase in future demand for long-term care services and recognized the need to create new capacity as well as renovate or replace outdated care facilities.

As part of the Government of British Columbia's commitment to develop 5,000 new long-term care beds and assisted living units by 2008, VIHA, in partnership with BC Housing, issued a Request for Proposals (RFP) to build and operate 1,230 long-term care beds and assisted living spaces by 2010 (collectively referred to as units). This Residential Care and Assisted Living Capacity Initiative (the Project) includes approximately 1,050 new units by 2008, with the flexibility for an additional 180 units by 2010 and development potential for an additional 300 units in the future.

Fifty-two proposals were received from 34 different proponents. Of the 34 proponents who submitted proposals, one was new to the B.C. market and nine were new to the Vancouver Island market. Sixteen were current service providers and six were new ventures established by experienced operators and developers in B.C. Ten were from the for-profit sector and 15 were from the not-for-profit sector.

Preferred proponents were identified by VIHA in June 2006. Seven of the nine proponents, representing 1,020 new units, signed agreements by July 2006. Two more agreements, for a total of 30 assisted living (AL) units in Victoria, were finalized in November 2006. Each of the agreements meets VIHA's objectives to:

- Deliver on the Strategic Plan targets for long-term care and assisted living units to be open by September 2008.
- Develop *communities of care* where possible and appropriate.
- Capture creativity and innovation.
- Pilot the new Provincial Residential Care Services Operating Agreement.

1.2 Competitive Selection Process

Partnerships British Columbia was retained by VIHA to manage the procurement process.

A Notice of Intent was issued to the market in December 2005, informing potential bidders that VIHA would be seeking up to 1,230 new long-term care beds and assisted living units in an RFP to be released in early 2006. The RFP was issued in January 2006 seeking proposals to provide the necessary services.

Fifty-two responses to the RFP were received in March 2006. After negotiations, 10 agreements were signed with nine preferred proponents.

1.3 Final Agreements

Under the agreements, the concessionaires will design, construct, finance and operate the new long-term care facilities to the standards specified in the agreement. Once a facility has met all design, legislative and regulatory requirements, VIHA will be responsible for funding the facilities at agreed upon amounts for a 20-year operating term.

The total capital cost of these projects is approximately \$210 million (\$2006).

1.4 Achieving Value for Money

Each of the agreements delivers value for money in that:

- Pricing for long-term care and assisted living units is a fixed cost per client, per day.
- High levels of competition in the major cities on Vancouver Island led to very competitive pricing.
- Service levels are secured through performance based agreements.
- All risks of cost escalation between now and construction completion in 2008 are the responsibility of the concessionaire.
- Payment commences only when services are received and penalties are assessed for every day needed services are not delivered.
- The overall schedule has been accelerated by more than three months ahead of the schedule set out in the RFP.
- All of the long-term care and assisted living facilities will be built as *communities of care* to provide a full range of housing and care options in one location.
- Innovative services and design features are incorporated into each *community of care*.

2 Introduction

British Columbia's seniors are living longer and leading more active lives. The increase in elderly population offers a significant challenge to the Vancouver Island Health Authority (VIHA).

Vancouver Island's demographic profile resembles that of Western Europe, with almost 17 per cent of the total population being 65 years and older compared with 14 per cent of the population in B.C., and 13 per cent in North America. As the population ages, needs for services grow and become increasingly complex.

In B.C. and elsewhere in Canada, long-term care has historically been provided by both the not-for-profit and for-profit sectors. Typically, long-term care service providers will design, build, finance, own, maintain and operate a long-term care facility. If publicly funded, they would usually hold a service agreement with the local regional health authority.

Long-term care includes the following residential services:

- **Complex Care:** 24-hour professional care in a residential setting for seniors and people with significant physical and/or cognitive disabilities.
- **Assisted Living:** self-contained apartments where people receive personal care and hospitality services such as meals, housekeeping and laundry services, recreational opportunities, assistance with medications, mobility and other care needs, and have access to a 24-hour response system.

In planning to meet future needs for residential services, VIHA must create new capacity and also renovate or replace old and outdated facilities to improve care for its clients. Wherever possible, new long-term care facilities will be designed as *communities of care* where a full range of housing and care options—including independent housing, transitional care, convalescent care, assisted living and complex care—will be offered in one location.

This continuum of long-term care services is offered in part by Independent Living BC (ILBC), a housing and health partnership that brings together BC Housing and the five regional health authorities, including VIHA.

3 Project Background and Objectives

3.1 Project Background

VIHA is one of five regional health authorities in B.C. Through a network of hospitals, clinics, health centres and residential facilities, VIHA provides health care to more than 700,000 people on Vancouver Island, on the islands of the Georgia Strait, and in the mainland communities north of Powell River and south of Rivers Inlet.

VIHA recently completed a Five Year Strategic Plan (the Plan) which sets the overall direction for service delivery to 2010. It charts the move towards enhanced integration, responsiveness and innovation for all health services across the region. In particular, it outlines:

1. Priority issues within VIHA.
2. Challenges with population health and service delivery growth.
3. Goals and strategic themes that will guide service delivery.
4. Strategic directions by sector and by geographic area.

The Plan contemplates new and innovative service delivery models and future capacity forecasts. It is aligned with the strategic direction of the Ministry of Health, recognizes the significant differences in demographics and health status throughout VIHA, and reflects clinical input and practical experience.

The Province of B.C. has made a commitment to open 5,000 additional long-term care beds in B.C. before the end of 2008. VIHA and BC Housing are working together to contribute to this goal.

VIHA initiated a procurement process to invite proposals from not-for-profit and other independent operators to build and operate 1,050 long-term care beds and assisted living spaces by 2008 (and up to 180 additional long-term care beds and assisted living spaces by 2010) – referred to as the Residential Care and Assisted Living Capacity Initiative (the Project). In late 2005, the two agencies engaged Partnerships BC to manage the procurement process that would deliver firm agreements for this capacity.

3.2 Objectives

VIHA set the following key objectives for the Project:

1. Deliver on the Strategic Plan targets for long-term care and assisted living units, to be open no later than December 2008.
2. Develop *communities of care* where possible and appropriate.
3. Capture creativity and innovation through the procurement process.
4. Pilot the new Provincial Residential Care Services Operating Agreement.

3.2.1 Deliver on the Strategic Plan

As part of the Province's commitment to develop 5,000 new beds and units throughout British Columbia by 2008, VIHA required at least 1,050 new long-term care beds and assisted living spaces to open by December 2008.

3.2.2 Develop *communities of care*

VIHA's preferred service model envisions long-term care, assisted living and related services provided in close proximity to one another, forming *communities of care*.

Communities of care provide a continuum of residential services from assisted living to licensed complex care on a single site. The integration of these services creates a community where clients' changing housing and care needs are met in the most appropriate setting. This living environment supports the principles of independence, individuality and choice, and facilitates flexible service delivery for clients as their care needs change. In *communities of care*, clients are better positioned when the need for transfer to a higher level of care is identified.

3.2.3 Capture creativity and innovation

VIHA wanted to capture creativity and innovation to maximize the interests of healthcare clients and add value in the delivery of services. The RFP specified that desirable areas for such innovations could include:

1. The potential to use a portion of the spaces, or a facility's expansion area, to accommodate respite and/or residential hospice care.
2. The ability to offer community services such as adult day programs or a therapeutic bathing program.
3. State-of-the-art facilities and services incorporating best practices in caring for residents with dementia.
4. Potential facility integration with the local community. For example, the shared utilization of program space in the facility, or provision of office space for community care providers such as home care nurses.
5. Progressive human resource practices, such as innovative care or staffing models, which would improve residents' care and satisfaction and/or workplace satisfaction for staff.
6. Design elements that promote sustainability and reduce operational and/or staffing costs to VIHA.
7. Design flexibility that would allow the facility to adapt to changes in service delivery models and to expand as demand dictates.

3.2.4 Pilot the Provincial Residential Care Services Operating Agreement

VIHA, like other regional health authorities, utilized the new draft provincial template Residential Care Services Operating Agreement (the Agreement) in its RFP. Proponents were requested to submit their proposal based on that Agreement, and if they felt the Agreement could be improved upon, they were asked to provide an alternate proposal outlining how they believed the Agreement could be improved, and how VIHA would benefit from such changes.

The RFP was structured to leverage the competitive process to identify potential improvements to the Agreement and to capture the intellectual property for use by VIHA.

4 Competitive Selection Process

4.1 An Innovative Procurement Approach

The procurement process for the Project was designed to optimize the ability of proponents to achieve or surpass the targets identified by VIHA. This was accomplished by:

- Issuing a Notice of Intent to provide an additional six weeks for teams to form and prepare for the opportunity.
- Marketing the opportunity to more than 1,000 service providers in B.C., Alberta, Ontario and internationally.
- Initiating the competitive process as early as possible to make it attractive to the market place.
- Offering VIHA-owned assets for lease or sale by proponents in two key local health areas (comprising more than one-third of the total needed units).
- Keeping the RFP open for eight weeks, allowing proponents sufficient time to respond with quality proposals.
- Tightening the evaluation and negotiation phases to reduce the total time to secure agreements. This in turn reduced the total time to reach opening.
- Providing an opportunity for larger market players to participate by encouraging firms to bundle more than one facility into their proposal.
- Establishing criteria that provided incentives for proponents to secure appropriate land.
- Establishing September 2008 as the latest possible opening date for the facilities.

4.2 Notice of Intent

In December 2005, Partnerships BC issued a Notice of Intent, on VIHA's behalf, to the marketplace informing potential bidders that VIHA would be seeking up to 1,230 new long-term care beds and assisted living spaces in an RFP to be released in January 2006. The Notice of Intent was issued to existing care providers within B.C., to care associations across Canada, and to international media, reaching more than 1,000 potentially interested parties.

4.3 Request for Proposals

On January 31, 2006, Partnerships BC, on behalf of VIHA, issued an RFP for residential care and assisted living facilities, seeking innovative proposals which would include complex care, assisted living facilities and other related services, ideally set up as *communities of care*. VIHA sought these *communities of care* in the eight different local health areas (LHAs) on Vancouver Island where the Plan had identified a need for additional services in the community.

	Long-Term Care Beds (2008)	Assisted Living Units (2008)	Long-Term Care Beds (2010)	Assisted Living Units (2010)
Greater Victoria and Saanich	185	55	0	40
Sooke	30	10	0	5
Cowichan and Duncan Area	160	50	20	0
Nanaimo	110	40	25	40
Parksville/Qualicum	140	30	20	30
Port Alberni	0	10	0	0
Comox/Courtenay	90	60	0	0
Campbell River	80	0	0	0
Total	795	255	65	115

Key goals of this competitive process were to generate sufficient proponent interest to provide robust competition and to attract new proponents to the Vancouver Island market. Results of the RFP process showed that:

- Fifty-two proposals were received from 34 different proponents, including proposals from 15 not-for-profit organizations and 10 for-profit organizations. Of the 52 proposals received, 48 met the mandatory criteria and were evaluated as per the terms of the RFP.
- Of the 34 proponents who submitted proposals, one was new to the B.C. market and nine were new to the Vancouver Island market. Sixteen were current service providers in B.C. and six were new ventures established by experienced operators and developers in B.C.

4.4 Evaluation

The RFP process closed on March 28, 2006, and the evaluation phase began.

The proposals that met the mandatory requirements of the RFP were reviewed and evaluated by evaluation working groups, each of which focused on the section of the proposal that was directly related to their subject of expertise.

The RFP detailed the criteria against which the proposals would be evaluated. The criteria were heavily weighted towards quality services with 65 per cent of the scoring dedicated to program delivery, 25 per cent dedicated to financial considerations and the final 10 per cent allocated to innovation.

Desirable Criteria	Maximum Points
Program Delivery	65
Service Model	25
Proponent Strength and Experience	20
Ability to Deliver	20
Financial Considerations	25
Value Added and Innovation	10

The working groups provided a consensus summary of the strengths and weaknesses of the compliant proposals to the evaluation committee.

The members of the evaluation committee reviewed each compliant proposal together with the evaluation working groups' materials that were based on interviews, site visits and reference checks, as required.

The evaluation committee was seeking proposals that provided a high level of quality, that were based on best practice service delivery philosophies in a well-designed *community of care*, and that could meet the schedule at an affordable per diem rate.

As the evaluation committee completed its review of a given local health area, it recommended a preferred proponent for each location.

The following table details the overall timelines for the procurement process:

RFP Procurement Process	
Milestone	Schedule Date
Notice of Intent issued	December 20, 2005
Request for Proposals issued	January 31, 2006
Proponent Information Meeting	February 20, 2006
RFP Closing Date	March 28, 2006
Proposals evaluated	April to May 2006
Negotiations	May to November 2006
Agreements signed	May to November 2006
Facilities open	June 2008

4.5 Negotiations

Individual negotiations began when a proponent was formally identified as the preferred proponent for a particular LHA. Project development agreements were negotiated and signed with the preferred proponents by mid-July for the majority of the units, with the balance of the units following in early November.

In Greater Victoria, no single proponent could provide all of the needed units, so as per the terms of the RFP, units were awarded to more than one proponent. The bulk of the units were awarded in July and negotiations for the final 30 assisted living (AL) units in Victoria were finalized in early November.

4.6 Competitive Selection Costs

The total overall procurement costs incurred by VIHA were approximately \$245,000. This represents one-tenth of one per cent of the overall project capital value. These costs were expended on legal advice and drafting, project management and lease negotiations.

5 Final Agreement

5.1 Service Providers

The table below summarizes the timeframes associated with securing a signed project development agreement for each LHA:

Local Health Area	Preferred Proponents (Service Providers)	Number of Units		Notified of Preferred Proponent Status	Signed Agreement	Total Time Elapsed
		LTC	AL			
Campbell River	New Horizons Care Corporation	80	0	May 18	June 9	3 weeks
Duncan	Jones Development/inSite	160	50	May 18	June 27	6 weeks
Sooke	Sooke Elderly Citizens' Housing Society	30	10	May 18	July 20	9 weeks
Port Alberni	Westcoast Native Health Care Society	0	10	May 18	November 15	26 weeks
Nanaimo	Good Samaritan Canada	110	40	May 24	July 4	7 weeks
Courtenay/Comox	Retirement Concepts	90	60	May 24	July 12	8 weeks
Parksville	The Ahmon Group	140	30	June 23	June 29	1 week
Victoria	The Ahmon Group	185	25	June 15	June 29	2 weeks
Victoria	Baptist Housing Society	0	9	September 8	November 15	10 weeks
Victoria	Capital Region Housing Corporation	0	21	October 11	November 15	5 weeks
Total Units		795	255			

LTC = Long-term Care AL = Assisted Living

The service providers with agreements to deliver these units include the following organizations:

Campbell River – New Horizons Care Corporation

New Horizons Care Corporation is a not-for-profit corporate entity created through a collaboration of best practices in project coordination and management, design, development and construction, and operations management. The team members offer significant knowledge and experience in the area of seniors and speciality care and housing in B.C. and throughout Canada.

Courtenay/Comox – Retirement Concepts

Retirement Concepts is a family-owned and operated B.C. company that has been involved in the seniors' housing industry for 18 years. The company currently owns and operates 13 seniors' communities in B.C., providing homes to 1,049 long-term care clients and 726 independent and assisted living tenants.

Duncan – Jones Development Corporation

Jones Development Corporation (JDC) is an established architect, real estate developer and operator of hundreds of seniors housing units on Vancouver Island and the British Columbia mainland. In addition to more than 40 years experience in design and project development, JDC has founded a number of non-profit societies created to provide affordable housing to seniors. JDC's partner in this project is inSite Housing Hospitality and Health Services Inc., a leader in creating and managing progressive care models to meet the changing needs of the elderly.

Nanaimo – Good Samaritan Canada

Good Samaritan Canada, a voluntary not-for-profit care provider, has provided long-term care, assisted living and other specialized healthcare services and facilities for 56 years. They are the largest voluntary continuing care provider in Alberta and B.C., and one of the largest in Canada. Good Samaritan has played a key role in the development of new and innovative programs which are becoming industry standards throughout Canada. A number of their projects have utilized the *community of care* concept.

Parksville and Victoria – The Ahmon Group

The Ahmon Group and Lark Enterprises (a well-established developer in B.C. with whom The Ahmon Group has successfully partnered in the past) will provide facilities in both Parksville and Victoria. The Ahmon Group has operated long-term care facilities on the British Columbia mainland for nearly 30 years and has utilized a campus of care model. As a service provider, they are committed to providing quality individualized care and support for adults with complex health needs within a residential setting.

Port Alberni – Westcoast Native Health Care Society

The Westcoast Native Health Care Society is a not-for-profit organization that has been providing long-term care services in Port Alberni for 14 years. The Westcoast Native Health Care Society currently operates Tsawaayuu (Rainbow Gardens), a multi-level care facility in Port Alberni.

Sooke – The Sooke Elderly Citizens' Housing Society

Sooke Elderly Citizens' Housing Society is a non-profit society established to facilitate the provision of a range of high quality housing and care options to the residents of Sooke. The group has extensive experience in the operation of independent living units, and has contracted with Beckley Farm Lodge Society to provide operations management services for the proposed long-term care facility. Beckley Farm Lodge Society is a not-for-profit care provider on Vancouver Island.

Victoria – Baptist Housing Society of BC

The Baptist Housing Society of BC has a 42-year history of providing quality, affordable housing and care to seniors in British Columbia. Further, Baptist Housing is committed to caring for the physical, social, emotional and spiritual wellbeing of the seniors who live in its communities.

Victoria – Capital Region Housing Corporation and Beckley Farm Lodge Society

Capital Region Housing Corporation will provide housing and development services for the project, and Beckley Farm Lodge Society will be responsible for the administration of hospitality services and programs. Over the past 20 years, Beckley Farm Lodge Society has provided long-term care, adult day and outreach programs for seniors in the James Bay community.

5.2 Key Terms of the Agreements

VIHA has Project Development Agreements (PDA's) with all proponents as well as BC Housing has Provisional Project Approvals (PPA's) with proponents containing an assisted living component that is being funded under ILBC. These agreements detail the terms and conditions that will guide the

proponents—now identified as service providers—through the development phase (i.e. until the facilities are fully licensed, inspected and ready to provide high quality services, and therefore ready to admit clients). They define the design requirements, the review process, the agreed-upon schedule, and the sanctions that will occur if the facilities are not built on time and to the required specifications.

VIHA also agreed with each service provider on the terms of the Residential Care Services Operating Agreement as required for each facility. These agreements will be signed in 2008 once the facilities are completed and ready for use.

Those projects that are supported by ILBC, BC Housing will also enter into an Assisted Living Services Operating Agreement.

5.3 Financing

Service providers are responsible for all aspects of financing their design, development, construction and operational costs. Typically, the service provider secures construction financing for the development phase. Once the facility is ready for occupancy and has clients in place, the service provider generally secures longer term, mortgage financing (usually for 25-35 years), for approximately 75 per cent of the cost of the facility (average facility cost is \$20 million). Insurance from the Canada Mortgage and Housing Corporation is usually purchased by service providers to insure their mortgage against default.

5.4 Performance Payments

The agreement stipulates that funding to the service provider does not commence until the facility accepts its first client. For a facility to accept a client, VIHA must agree that the facility meets all design requirements, the requirements of the Community Care and Assisted Living Act, and all other legislative and regulatory requirements (e.g. fire code and building code requirements). When the service provider proves to VIHA's satisfaction that it has achieved that state of functional completion, clients are able to move into the facility

and the service provider begins to receive payment for the clients it serves.

The project development agreements provide for a penalty of up to \$2,000 per day for each day that the proponent falls behind the development schedule.

5.5 Risk Allocation

The successful proponents are required to meet agreed-upon completion dates for designing, building, financing and operating the facilities as specified in their proposals. All risks of cost escalation between now and 2008 are the responsibility of the service providers. VIHA and BC Housing are responsible for funding the facilities at the agreed-upon amounts after the facilities have met the requirements of functional completion.

The table below provides an overview of risk allocation for the Project:

Risks relating to:	Risk Allocation	
	Vancouver Island Health Authority	Service Provider
Design		✓
Construction		✓
Site conditions		✓
Permits, zoning and regulatory compliance		✓
Schedule		✓
Fit for use		✓
Interest rates		✓
Labour (inflation and availability)		✓
Demand (client availability)	✓	✓
Force Majeure	✓	✓
Cost inflation	✓	✓
Changes in client mix	✓	✓

6 Achieving Value for Money

6.1 Financial Terms

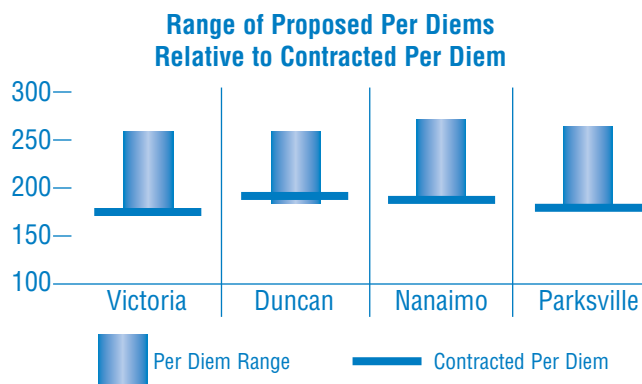
The proposals provided pricing for long-term care services and assisted living units at a fixed cost per client, per day—called the per diem. The per diems are all-in payments that cover all staffing, administrative, food and facility costs.

The competitive selection process provided robust competition, and a broad range of per diems were proposed within the LHAs. This allowed VIHA and BC Housing to successfully negotiate desirable rates with the service providers while ensuring the provision of quality facilities and operations.

To assess the value for money, it is important to compare proposals on a similar basis. For instance, construction costs and land values in Campbell River may be very different than in Victoria, rendering a comparison between the construction costs of a facility in Victoria relative to one in Campbell River of limited value.

The dollars allocated to care services, represented by the per diems, are consistent across Vancouver Island; variability occurs due to such factors as costs of construction and interest rates. To adjust for these factors, the proposed per diem cost for each of the service providers was only compared to the range proposed within the relevant LHA.

This graphic depicts the range of proposed long-term care per diems (represented by the broad vertical bar) along with the per diem for the preferred proponent (represented by the thin horizontal line) for four of the larger LHAs.



6.1.1 Capital Cost Benchmarking

One indication of the value for money VIHA achieved will be the efficiency with which the service providers build the long-term care facilities. One useful measure of capital construction efficiency is the total capital cost per bed constructed.

In the proposals VIHA received, the range of total capital costs per long-term care bed constructed was between \$150,000 and \$225,000, with an average of approximately \$175,000. This compares favourably with cost data from VIHA that shows existing capital cost ranges of \$255,000 to \$350,000, with an average of \$300,000, for each bed constructed.

All long-term care facilities, regardless of capital costs, must meet the Ministry of Health's Multi-Level Care Design Guidelines and the requirements of the Adult Care Regulations, both of which prescribe requirements for important program areas including individual room dimensions and dining room size.

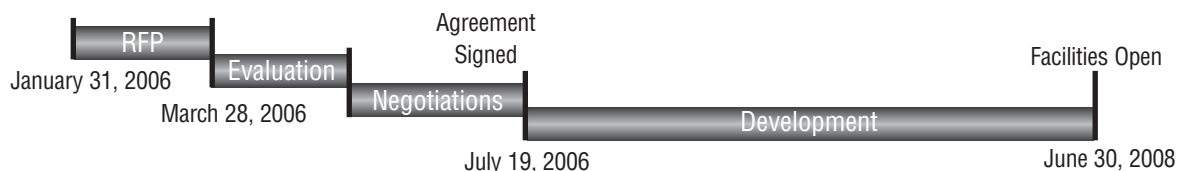
6.2 Non-Financial Terms

6.2.1 Schedule

In aggregate, the overall schedule has been accelerated by more than three months ahead of the one set out in the RFP. All units will be operational by June 2008.

The following diagram provides a graphical overview of the actual project schedule

Actual Schedule



6.2.2 Innovation

Proposals submitted by preferred proponents demonstrated innovation in the following areas:

- Provision of respite or hospice care within the *community of care*.
- Adult day programs.
- Community outreach through on-site hosting of seniors' wellness days.
- Intergenerational programming through the construction of a children's playground within the *community of care*.
- A *community of care* with space for co-located community health services.
- Delivery of a new model of care for dementia through the use of cottages.
- Community therapeutic bathing programs.
- Delivery of mental health services within specialized areas of the *community of care*.
- Design flexibility to allow for expansion.
- Design that incorporates a co-located primary health care centre.

6.2.3 Communities of care

All of the service providers proposed facilities that will be set up as *communities of care* where a full range of housing and care options are offered in one location. VIHA prefers this model of long-term care because it allows couples, family members and friends to remain close even though their care needs may be different. It lets seniors enjoy an independent lifestyle, secure in the knowledge that their needs will be met if their healthcare situation changes.

This graphic depicts a typical *community of care* design:



7 Monitoring the Agreement

As a condition of the agreement, all proponents were required to submit proposals that meet or exceed provincial design guidelines, and that meet all regulatory, permit and long-term care policy requirements. With the agreements signed, VIHA will ensure that designs are consistent with these requirements and with the proposal submitted.

Prior to opening, each facility is inspected by VIHA staff. It is the responsibility of the service provider to demonstrate compliance and possession of all permits including fire marshal, regulatory, business and health inspection permits.

During the 20-year operational phase, VIHA staff will provide ongoing quality assurance, monitoring and performance agreement management. They will ensure that all requirements of the service agreement are met and that staffing levels and amenities are provided and are effective.

