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### **Statement to the Star**

Sienna owns and operates both retirement and long-term care residences in both Ontario and BC. Nearly half of our business is retirement living, which is privately paid, and rates are market driven. Long-term care in Ontario represents approximately 44% of our overall business. When you are looking at financial data, please keep in mind that revenues come from both retirement and long-term care across two provinces.

No long-term care operator in Ontario can make a profit from government funding for resident care and services. Government funding is 100% dedicated to resident care and programs. Funding is reconciled annually, and operators must return any funds not spent on direct care. This is the case for municipal, not-for-profit and for-profit long-term care homes in the province and it is rigorously regulated.

The level of care funding is set annually by government. The system put in place under the previous government, and which continues today, provides inadequate funding. As a result, municipal governments today spend roughly \$300 million annually to supplement provincial funding for long-term care. If the provincial government were to provide this same level of funding for all long-term care homes, the implied additional funding for the sector would be approximately \$1.4B.

To be very clear, Sienna makes no profit from government funding for long-term resident care and programs and suggesting otherwise would be factually incorrect. Further, it would be factually incorrect to suggest that Sienna does not invest in long-term care. Over the last five years, we have provided an average of \$1m a year for resident care and services to augment government funding. We have also invested an average of \$7m annually in capital for maintenance and resident safety over the same 5-year period.

In Ontario, all long-term care operators, regardless of whether municipal, for-profit or not-for-profit, are licensed by the government of Ontario and are subject to the very same regulatory, funding and accountability policies and reporting requirements. All long-term care homes have extensive compliance reviews and are evaluated against and must comply with over 800 regulations.

Quality of care indicators established and measured by Health Quality Ontario are similar for all operators. In fact, privately owned long-term care homes in general have shown slightly better results in terms of quality indicators, and Sienna long-term care homes in Ontario have consistently ranked at or above provincial averages on publicly reported quality indicators. Sienna's recent three-year accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF) for our long-term care portfolio in Ontario is premised on 99.5% conformance to the extensive accreditation standards.

Additionally, as a publicly traded company Sienna is subject to extensive regulatory oversight, including in connection with compliant and ongoing disclosure, and accountable leadership, as measured against rigorous governance practices.

We do not believe that the type of home ownership is relevant to the COVID-19 pandemic in long-term care. While some homes have had a tremendous struggle with COVID-19 outbreaks, it is wrong to correlate this to home ownership.

All types of homes have been affected by COVID-19, and each has had a different experience with the disease based on a range of factors. These include factors such as availability and timing of testing, timing of first exposure at the home and when government directives went into place. Additionally, infrastructure (which correlates with age of the building), is a considerable factor. The majority of older long-term care homes in Ontario are owned by private operators (198 out of 239 Class C and D homes). These older homes have very few private rooms, a higher number of 4-bed and 2-bed rooms, and less square footage per resident.