

May 26, 2021

**MEMORANDUM TO:** Chief Executive Officers  
All Public and Private Hospitals

**FROM:** Sherif Kaldas  
Acting Assistant Deputy Minister

**RE:** **Hospital Chronic Care Co-payment Rate 2021 Deferral**

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This is in regard to the chronic care co-payment rate increase that was scheduled to take effect on July 1, 2021 in accordance with section 10 of Regulation 552 made under the *Health Insurance Act* ("Regulation 552").

Last year, Ontario decided to temporarily suspend the chronic care co-payment increase in view of the financial hardships which have been experienced by so many during the COVID-19 pandemic.

In response to the continued temporary financial hardship caused by the third wave of the COVID-19 pandemic, the Ministry of Health (ministry) has decided to defer the hospital chronic care co-payment rate increase that was scheduled to occur on July 1, 2021 to now take place on January 1, 2022. This is a 6-month deferral.

The maximum chronic care co-payment rate that hospitals may charge patients for their accommodation and meals is to remain at the 2019 rate of \$62.18 per day (or \$1,891.31 per month) until January 1, 2022. Patients should be charged co-payment only if the attending physician has designated the patient as requiring chronic care, and where the patient is more or less a permanent resident in the hospital or another institution.

As set out under subsection 10(4) of Regulation 552, the increase in the co-payment rate may not be charged to the patient unless the hospital has given the patient (or, if the patient is incapable, their substitute decision-maker) at least 30 days prior written notice of the increase. Your hospital may implement this rate increase at any time on or after January 1, 2022, as long as patients have been provided with the required notice.

Effective **January 1, 2022**, hospitals may increase the chronic care co-payment rate by 0.7% from \$62.18 per day to \$62.62 per day (or \$1,904.69 per month). This represents an increase of \$0.44 per day.

Every July 1st, the daily co-payment rates are automatically adjusted by the percentage increase in the Consumer Price Index (CPI), if any, for the 12-month period ending on December 31st of the previous year, up to a maximum of 2.5%, and rounded to the nearest \$0.01. This provides chronic care patients and hospital administrators with a predictable, consistent and transparent

way to determine chronic care co-payment rate increases each year by tying the co-payment rate increase to the percentage increase in the CPI.

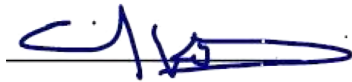
The co-payment amount is based on the patient's monthly income, established annually, and the number of dependents that a patient has. The co-payment rates are defined in the table entitled "TABLE MAXIMUM CO-PAYMENT AMOUNTS ON OR AFTER JULY 1, 2018," under section 10 of Regulation 552. In some cases, patients may be eligible for a rate reduction.

Regulation 552 is available online at: <https://www.ontario.ca/laws/regulation/900552>.

Please ensure that administrative staff are prepared to process and approve reduced rates for patients who apply. If you have any questions, I encourage you to contact your Ontario Health Region. Questions may also be directed to [Hospitals.Branch-HSQFD@ontario.ca](mailto:Hospitals.Branch-HSQFD@ontario.ca).

Thank you for your effort and commitment to improving the quality of care delivered to your patients.

Sincerely,



Sherif Kaldas  
Acting Assistant Deputy Minister  
Hospitals and Capital Division  
Ministry of Health

- c: Mr. Anthony Dale, President and Chief Executive Officer, Ontario Hospital Association  
Mr. Matthew Anderson, President and Chief Executive Officer, Ontario Health  
Mr. Mark Walton, Regional Lead, Ontario Health West  
Ms. Donna Cripps, Regional Lead, Ontario Health Central  
Ms. Tess Romain, Regional Lead, Ontario Health Toronto  
Ms. Cynthia Martineau, Regional Lead, Ontario Health East  
Mr. Brian Ktytor, Regional Lead, Ontario Health North  
Ms. Sheila Bristo, Assistant Deputy Minister (A), Long-Term Care Operations Division, Ministry of Long-Term Care (MLTC)  
Ms. Janet Hope, Assistant Deputy Minister, Long-Term Care Policy Division, MLTC  
Ms. Melanie Fraser, Associate Deputy Minister, Health Services, Ministry of Health (MOH)  
Ms. Tara Wilson, Interim Director, Hospitals Branch, MOH  
Mr. Jim Yuill, Director, Financial Management Branch, MOH  
Mr. Jeffrey Graham, Director (A), Fiscal Oversight and Performance Branch, MOH  
Mr. Andrew Mukoma, Director (A), Ontario Health Oversight Branch, MOH