



From Pressure to Prevention: **An Upstream Plan for Seniors' Care**

2026-27 Provincial Pre-Budget Recommendations



AdvantAge
Ontario

Advancing Senior Care

Introduction

Ontarians deserve the best health and seniors' care system in the country. Yet today, the system is under threat as it has not adapted fast enough to our changing demographic realities.



Ontario's population is aging, and people are also living longer with more illnesses. The number of people aged 65 and older is growing rapidly and is expected to double by 2040, with seniors projected to make up 22.6% of the populationⁱ. Research from the Dalla Lana School of Public Health further indicates that by 2040, two million more Ontarians will be living with at least one chronic conditionⁱⁱ.

Our health care system is not prepared for our current and impending needs. There is now a major mismatch between the growing pressures of an aging population and a system structured to support acute, not chronic, care needs. Despite significant government investments in hospitals and long-term care (LTC), Ontario continues to struggle to meet rising demand. That is because the answer is not to do more of the same. We need to change our approach by shifting resources to meet the current and future needs of an aging population.

This submission represents a **bold new perspective** from AdvantAge Ontario: a **system-wide view** for seniors' care that focuses on **upstream solutions**.

LTC homes are caring for residents with increasingly complex needs, some of whom are not suitable for LTC settings, while hospitals are being relied upon to provide more intensive and chronic care for more people. This growing demand places significant strain on already stretched budgets of the most expensive parts of our health care system, rather than investing in less costly, less intensive support. We can no longer afford to take this approach.

Our healthcare system is already unable to properly meet the needs of Ontario's aging population. The resulting strain diminishes the availability of care for Ontarians of all ages. We are seeing this in increasingly crowded emergency departments, where "chair care" and unacceptably long waits for hospital and LTC beds have become the norm.

This is the new playbook: build capacity where it *prevents* crises, not only where it *receives* them. Do it in a practical, affordable way that will relieve pressure on the entire system.

We know how to solve many of the issues in our healthcare system. In fact, the government's *Your Health Plan* has set out the right direction - care must be delivered in the most appropriate setting. The next step of this plan must introduce significant structural funding changes that:

- > prioritize greater upstream investments to keep people out of hospitals,
- > reduce emergency admissions into LTC, and
- > allow older adults to age in the community for as long as possible.

This is what older adults overwhelmingly want. It is much more cost-effective, and it is where we should be heading.

Ontario is at an inflection point. We must invest in measures that avoid admissions, not just those that *absorb* them.

Our 2026-27 pre-budget submission looks across the spectrum of options for older adults. AdvantAge Ontario represents seniors' care and service providers across the full continuum, from independent seniors' housing to LTC. It is this unique, system-wide lens that makes us acutely aware of the pressures at hand — and also of the solutions. With our broad vantage point, we advocate not from one silo, but from a system-wide perspective.

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The time for change is now. We recommend the government focus investments in its 2026-27 budget in two key ways:

1. Dramatically expand assisted living supports and home and community care for older adults.
2. Enhance supports for residents in LTC homes to account for rising acuity and changing needs.

By making these targeted investments upstream, Ontario can build significant capacity in the seniors' care system – helping more people remain well in their homes while easing the growing pressure on hospitals and LTC homes.

A Change in Our Population Requires a Change in Our Approach

Compared to other jurisdictions, Ontario has the largest proportion (58%) of LTC residents with high and moderate clinical complexity in 2023/24.

Source: Canadian Institute of Health Information

If the need for supports for Ontario's senior population were a river, it would be surging — nearing the point of overflowing its banks. As our population ages and requires more health and community supports, the pressure on our health system is already evident. One in five seniors currently have complex care needs, and 76% of new residents entering LTC homes have mild to moderate care issuesⁱⁱⁱ. These growing needs add both cost and strain to the LTC system.

Behind these statistics lie human stories – those of loved ones who not only face the difficulties of chronic illness, but also those left to navigate a health system not designed to provide the right care in the right place.

A Familiar Scenario

An elderly couple is still living at home, and one develops dementia. Over time, the aging caregiver reaches the point where they can no longer care for their partner. Their loved one's condition is progressively becoming unmanageable without significantly more help. Yet, because of the province's LTC wait-list, securing a placement in a home is impossible. Left with no other option, the family turns to their local emergency department for help. The patient is then moved to a reactivation center (a facility for patients who no longer need acute care but are waiting to transition to LTC, a community setting, or another appropriate placement), which is not an appropriate place for someone with advanced dementia. Their condition further deteriorates.

Too often, seniors are admitted to LTC simply because adequate community support is unavailable. This is a costly path that must be avoided in the future. Greater effort is needed to deliver care in the most appropriate settings, helping people remain in their homes and reducing unnecessary hospital and LTC admissions.

Addressing the Need Through Upstream Supports

We need to shift the focus of investments in Ontario to effectively support our aging population and provide appropriate levels of care. This requires a major increase in both home and community care, and seniors' supportive housing options, which are far more cost effective than LTC and alternate level of care (ALC) beds in hospitals. They are also preferable to older adults. This solution is clear – and it has worked in many other countries.

Adequate affordable supportive housing for older adults is the missing link in the continuum of care – the piece that could help more seniors remain healthy and independent at home and prevent premature placement in LTC or admission to a hospital.



Seniors' supportive housing generally combines housing assistance with personal supports that allow individuals to live as independently as possible within their communities.^v It is geared to older adults who are lower and middle income and cannot afford retirement housing and/or in-home private home care.

There are a limited number of programs like this across the province and they are interchangeably referred to as supportive housing and/or assisted living. For purposes of simplicity, in this document we will refer to the entire category as seniors' supportive housing. The lack of a unified funding program has led these types of housing solutions to be overlooked in recent years, receiving no new or increased funding for existing buildings and no specific funding stream for new buildings. As a result, services have eroded and many operators are struggling to remain viable – and are even considering closure.



Stabilizing the current housing stock and expanding access to seniors' supportive housing would enable Ontario to help more seniors stay healthy at home where they wish to remain and in the most affordable way. This in turn will ease pressure on hospitals, reducing demand for LTC placements, and allow savings to be redeployed to address other pressing health system needs.

Housing Supports

Supportive housing tends to be more community-based and involves lighter care that is geared to people who are functionally more independent.

Assisted living tends to be more facility-based and involves a higher degree of care that is geared to seniors who are functionally more dependent.

Seniors' supported housing refers to a combination of housing and supports that enables seniors to live as independently as possible in their community.

Recommendation 1

Dramatically expand supports for seniors' supportive housing, and home and community care

The 2026-27 budget should ensure that more seniors have the support they need in the community without having to go into hospitals or LTC homes by dramatically expanding seniors' supportive housing, as well as funding for home and community care. Specifically, the government should:

1 Expand Affordable Seniors' Supportive Housing Supply

Create a dedicated capital and operating funding stream to increase the availability of supportive housing for seniors, including specialized supportive housing units for seniors with complex mental health and addiction issues. This can be partially accomplished without any new building programs by turning all seniors' non-profit housing in Ontario into supportive housing.

2 Stabilize Existing Programs

Increase operational funding for current providers of seniors' supportive housing to address chronic underfunding that has eroded these programs over time and improve sustainability.

3 Strengthen Community-Based Models

Provide ongoing, permanent funding to support the pilot Nursing Homes Without Walls sites in the province, building on existing support from Health Care Excellence Canada and The Waltons Trust.

4 Grow Capacity in Home Care and Community Support Services

Invest \$605 million to continue to build capacity in the home care system, community supports services, and independent living.

Nursing Home Without Walls (NHWW) is a program that started in New Brunswick and enables LTC homes to support community-based older adults to age in their homes by giving them access to essential services and support. NHWW supports their independence and reduces the need for premature admissions to LTC. It also helps to ease pressure on emergency departments.

Ensuring Supports for Rising Levels of Acuity

In 2023, 79.1% of LTC residents in Ontario were living with some form of cognitive impairment — including dementia, stroke, or trauma-related conditions. Compared to other jurisdictions, Ontario has the highest proportion of LTC residents with moderate to high clinical complexity, at 58%.^{vi}

With each passing year, the population of residents with complex medical, mental health, and addiction needs grows larger in LTC. These residents require greater investment in staffing, specialized training, and tailored supports to ensure quality care and safety within LTC homes.

The growing clinical complexity within LTC reflects broader demographic and health system trends. As hospitals discharge patients earlier and community supports remain limited, LTC homes are increasingly caring for individuals who once would have remained in acute or rehabilitative settings. Many residents now enter care with multiple chronic conditions, cognitive decline, and behavioral symptoms that require interdisciplinary expertise. Without strengthened staffing models, access to specialized clinical support, and investments in mental health and behavioral care, the system risks being overwhelmed by needs it was never designed to manage.

Additional resources are required to ensure homes can support these residents.

According to the latest available data, 50.1 per cent of people admitted to LTC came from a hospital in 2023-24, a 67 per cent increase compared to pre-pandemic levels.

Source: Canadian Institute of Health Information (CIHI)

Every 2 in 5 LTC residents has a psychiatric or mood disorder. This represents more than 41,000 Ontario LTC residents.

Ontario residents in LTC have higher rates of depression, dementia, cognitive impairment and aggression than other provinces.

Source: Canadian Institute of Health Information (CIHI)

Recommendation 2

Enhance supports for residents with rising acuity

The 2026-27 budget should ensure that LTC homes are able to support residents with rising acuity with the care they need. Specifically, the government should:

1 Provide Supports for Mental Health and Addictions (MH&A)

- > Provide dedicated funding to LTC homes to enhance care for residents with complex mental health and substance use needs, including funding for ongoing staff training and capacity building and additional specialized staffing positions.
- > Invest in community-based support for seniors with MH&A diagnosis to ensure people are getting the appropriate care in the appropriate place.

2 Increase Base Operational Funding

- > Provide an increase in level-of-care (LOC) funding for LTC homes to keep pace with rising costs and ensure homes can continue to deliver high-quality care:
 - Nursing and Personal Care - 5.8%
 - Program and Support Services - 5.3%
 - Nutritional Support - 4%
 - Other Accommodation - 6%
 - Global Per Diem - 4.8%
- > Provide a 6.1% funding increase for nurses, PSWs, and allied health professionals in each home to keep pace with rising costs and negotiated wage settlements, ensuring LTC homes can achieve and sustain the delivery of four hours of direct daily care.



Conclusion

Ontario stands at an important crossroads in how it supports its aging population. The data is clear: demand for seniors' care is rising sharply, and the system — already stretched — will not be sustainable without meaningful change. The solution lies not only in expanding capacity, but in rethinking where and how care is delivered.

AdvantAge Ontario is calling for meaningful upstream investments now so fewer seniors need much costlier downstream crisis care *later*. We must move from pressure to prevention.

By investing in seniors' supportive housing, and enhanced community-based services, Ontario can create a continuum of care that supports seniors where they are — keeping them healthier, more independent, and closer to home.

At the same time, continued investments are needed to ensure LTC homes have the resources required to support the growing number of residents with higher acuity.

Together, these upstream investments will ease pressure on hospitals while improving outcomes for individuals and families.

The province has already taken important steps through the *Your Health Plan*. Now is the time to accelerate that progress

With targeted funding that expands access and ensures every Ontarian can age with dignity, Ontario can build a seniors' care system that is both compassionate and resilient — one that truly delivers the best care for the people who helped build this province.

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The Not-for-Profit Difference

- > In Ontario, not-for-profit LTC homes are governed by volunteer boards that reinvest all surplus back into resident care and services, while for-profit homes are owned by corporations or individuals who can distribute profits to shareholder, even though both receive similar base government funding and operate under the same regulatory framework.
- > Ontario's not-for-profit LTC homes contribute \$300 million annually in extra funding toward their homes, over and above government funding.
- > 68 per cent of Ontarians waiting for LTC choose a not-for-profit home as their first choice.
- > 51 per cent of Ontario's 79,796 LTC beds are in for-profit homes, while 49 per cent are in not-for-profit homes.

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