



# Ontario Health Coalition Fact Sheet

## Revera Inc. For-Profit Long-Term Care & Retirement Home Chain Owner

September 16, 2020

### Who Is Revera?

Revera Inc., is a privately owned Canadian operator of long term care, seniors housing, and retirement residences. According to its website, it owns or operates more than 500 properties in Canada, the United States and the U.K. In Canada, Revera reports it has 186 Managed Communities, 225 Owned Communities and 22,500+ Managed Units.<sup>1</sup>

Revera was born out of the consolidation of several other seniors' care companies as follows. Central Park Lodges, a long-term care and retirement home chain was 70 percent owned by the Reichmann family of Toronto. (At the height of their wealth, the Reichmann family was considered to be the fourth wealthiest family in the world with assets of \$13 billion.<sup>2</sup>) Central Park Lodges was sold to Retirement Residences Real Estate Investment Trust (REIT) in 2001. With that acquisition the REIT became the largest provider of residential seniors' accommodation and services in Canada.<sup>3</sup>

In October 2006, PSPIB Destiny Inc., a subsidiary of the Public Sector Pension Investment Board, a crown corporation, offered to purchase all outstanding units of Retirement REIT. In 2007, PSPIB Destiny Inc. had purchased all shares. All shares have been since delisted from the TSX. After this purchase the name was changed to "Revera Inc.". <sup>4</sup> The Public Sector Pension Investment Board (PSP) is a federal crown corporation established in 1999 to invest the pension funds of federal public service workers, along with most of military personnel and RCMP employees. Thus, Revera, which is a

for-profit company, formed out of Central Park Lodges and Retirement Residences REIT, is now fully owned by the pension plan of the federal civil service/RCMP/military through the Public Sector Pension Plan Investment Board.

There have been an array of acquisitions and sales of home, long-term care and other seniors' services by Revera since. In 2011, Revera acquired Comcare and became one of Canada's largest private for-profit home care providers.<sup>5</sup> In 2015, Extendicare purchased Revera Home Health, incorporating it into its Paramed Home Health division.<sup>6</sup> In 2014, Revera, in partnership with Health Care REIT(HCN), acquired the management company of Sunrise Senior Living. In 2015, Revera, in partnership with Welltower, acquired Regal Lifestyle Communities expanding into Alberta.<sup>7</sup> They also worked on expanding into the United Kingdom, partnering with Healthcare REIT to acquire more homes, and into Quebec with a partnership with Reseau Selection.<sup>8</sup> In 2018 Revera bought Signature Senior Lifestyle, a U.K.-based long-term care provider. Signature Senior Lifestyle develops and operates bespoke luxury care-homes in and around London and the Home Counties area.<sup>9</sup>

Through the years, Revera continued to acquire smaller long-term care and retirement homes in Ontario by acquiring smaller providers like Newmarket Retirement Community in 2015, Kitchener Retirement Community in 2016 and Burlington Retirement Community in 2017.<sup>10</sup>

<sup>1</sup> <https://reveraliving.com/en/about-us/corporate-profile>

<sup>2</sup> <https://www.theguardian.com/business/2003/jun/07/3>

<sup>3</sup> <http://www.ontariotenants.ca/reit/articles/2001/np-01c06.phtml>

<sup>4</sup> <https://www.investpsp.com/en/news/public-sector-pension-investment-board-completes-compulsory-acquisition-of-retirement-residences-real-estate-investment-trust/>

<sup>5</sup> <https://www.newswire.ca/news-releases/revera-acquisition-of-comcare-limited-to-create-new-canadian-home-careindustry-leader-546106762.html#:~:text=industry%20leader,-News%20provided%20by&text=Revera%20Inc.&text=TORONTO%2C%20Nov.,Canada's%20largest%20home%20care%20providers.>

<sup>6</sup> <https://www.extendicare.com/about-extendicare/news/extendicare-announces-completion-of-acquisition-to-expand-its-canadian-home-health-care-business-16>

<sup>7</sup> <https://seniorhousingnews.com/2015/10/26/welltower-revera-complete-582-million-regal-acquisition/>

<sup>8</sup> <https://reveraliving.com/en/about-us/news-releases>

<sup>9</sup> [https://cdn.reveraliving.com/-/media/files/news-releases/2018/june-25-2018\\_revera\\_buys\\_signature\\_senior\\_lifestyle.pdf?rev=86b9a43850ec466493b231ce52e821ef&hash=55ADD61154DE3167A7B6021A993F7A35&\\_ga=2.4929973.783948918.1600116358-909742640.1598643843](https://cdn.reveraliving.com/-/media/files/news-releases/2018/june-25-2018_revera_buys_signature_senior_lifestyle.pdf?rev=86b9a43850ec466493b231ce52e821ef&hash=55ADD61154DE3167A7B6021A993F7A35&_ga=2.4929973.783948918.1600116358-909742640.1598643843)

<sup>10</sup> <https://reveraliving.com/en/about-us/news-releases>

## Political Connections

From 1995 – 2001, Ontario’s Conservative government of Mike Harris ordered the closure of thousands of public hospital beds through its Health Restructuring Commission, then commissioned the creation of 20,000 new long-term care beds, for the first time paying from public funds for for-profit companies to build the beds that they would then own and operate on a profit-seeking basis. The majority of the new long-term care beds that were built were awarded to private for-profit companies. During this period and following, the connections between political parties, the government and the for-profit long-term care industry are numerous. The following are the direct connections with Revera and the companies out of which it was created.

When operating as Reichmann Retirement Real Estate Investment Trust (RRREIT), former Deputy Premier and Finance Minister under Mike Harris and soon to be Premier of Ontario, Ernie Eves was a board member.<sup>11</sup> A month after his resignation as an MPP in 2001 (where he was Deputy Premier and Finance Minister

under Conservative government of Mike Harris) he joined the board of the RRREIT, then in 2002 he became the Ontario Premier. He was joined on the Board of RRREIT by W Darcy McKeough, former Treasurer, Minister of Economics and Intergovernmental Affairs under previous Conservative Ontario Premier Bill Davis.<sup>12</sup> After being renamed as Revera and acquired by the PSPIB, Bill Davis, also became a Board Chair and currently remains a Board Chair Emeritus.<sup>13</sup>

The company is headquartered in Mississauga, Ontario and a former Mississauga mayor, Hazel McCallion, was appointed as the company’s first “Chief Elder Officer” in November 2015.<sup>14</sup> The company added a Chief Medical officer in October 2017, Dr. Rhonda Collins, who is also a board member of the Ontario Long-Term Care Association (OLTCA).<sup>15</sup>

Revera has employed a lobbyist named Lauren McDonald<sup>16</sup>, who was Doug Ford’s former Director of Marketing in 2018 and who has been an assistant to both a Conservative MP and MPP in the past.<sup>17</sup>

## Infection & Death Rates at Revera Homes During the First Wave of COVID-19

Residents at Ontario’s long-term Care homes have been devastated by the spread of COVID-19. Multiple analyses of the spread and of deaths as a result of the virus in for-profit versus non-profit and public long-term care homes have revealed that the toll has been worse in the for-profit homes. In early May, the Ontario Health Coalition released a report analysing the death rates in 93 Ontario long-term care homes with COVID-19 outbreaks that resulted in death. The analysis showed the rate of death, as measured by the proportion of deaths over the total number of beds in homes with COVID-19 outbreaks resulting in death, was: 9 per cent in for-profit homes; 5.25 per cent in non-profit homes, and; 3.62 per cent in publicly-owned (municipal) homes and was growing faster in the for-profits.<sup>18</sup>

### LTC operators with the highest number of deaths in Ontario

| LTC Operator | Number of deaths | Number of homes affected   | Total LTC homes in Ontario (owned/managed) |
|--------------|------------------|----------------------------|--|
| Sienna       | 295              | 9                          | 37   |
| Revera       | 230              | 8                          | 52   |
| Rykka        | 132              | 5                          | 9  |
| Southbridge  | 126              | 4                          | 27   |
| Extencicare  | 98               | 4                          | 69   |
| Chartwell    | 86               | 5                          | 23   |
| <b>Total</b> | <b>967</b>       | <b>35</b><br>(6 companies) |  |

SOURCE: Ontario government/Global News analysis

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<sup>11</sup> <http://www.ontariotenants.ca/reit/articles/2001/np-01c06.phtml>

<sup>12</sup> <https://www.bloomberg.com/profile/company/1053161D:CN#:~:text=Retirement%20Residences%20Real%20Estate%20Investment%20Trust%20is%20a%20real%20estate,Care%20Real%20Estate%20Investment%20Trust.>

<sup>13</sup> <https://cdn.reveraliving.com/-/media/files/news-releases/2019/mar-21-2019reverapaytributetothehonourablewilliamgd.pdf?rev=31f917cdc7c4a44bcc1a4de54c1bdd8&hash=F34EB5A167CE>

45B6D8D8DC0C7COD45C6&\_ga=2.4921525.783948918.1600116358-909742640.1598643843

<sup>14</sup> <https://reveraliving.com/en/about-us/news-releases>

<sup>15</sup> <https://reveraliving.com/en/about-us/news-releases>

<sup>16</sup> <http://lobbyist.oico.on.ca/Pages/Public/PublicSearch/SearchResults.aspx> (search for Revera in Ontario Lobbyist registry accessed September 16, 2020.)

<sup>17</sup> <https://www.linkedin.com/in/laurenemcdonald1/?originalSubdomain=ca>

<sup>18</sup> <https://www.ontariohealthcoalition.ca/index.php/death-rates-in-long-term-care-by-ownership-release/>

A Toronto Star analysis published on May 8, 2020 revealed that residents in for-profit homes were 60 per cent more likely to contract COVID-19 and 45 per cent more likely to die from the virus than residents in non-profit homes. A for-profit resident was also four times more likely to catch COVID-19 and four times more likely to die than a resident in a municipally run home.<sup>19</sup> In addition to the devastating outbreaks of the virus in the for-profit homes, there were large outbreaks also in municipal and non-profit homes, but the spread and death tolls were lower, they found.

According to a Global News investigative report released on June 16, 2020, more than half of the deaths to that point in long-term care homes had occurred at facilities owned by six large-commercial chains. Looking at the Ontario data, Global found that four of Revera's facilities had lost more than 20 residents during the first wave of the pandemic (as of June 16<sup>th</sup> 2020) and in two Revera homes more than 50 residents died. At four Revera homes more than 20 percent of the residents died. Overall, six for-profit chain companies accounted for

more than half of the deaths and Revera had the second most deaths in the industry, accounting for 230 out of 967 deaths.<sup>20</sup> Non-profit and municipal homes tend to have higher levels of full-time staff and less part-time casual staff.<sup>21</sup>

Not only have for-profit long-term care homes experienced more deaths than non-profit and municipal homes, they have had worse staffing shortages during the pandemic. According to a survey of long-term care staff conducted by the Ontario Health Coalition in July 2020 that asked staff about current staffing shortages, we found that 68 percent of for-profit LTC workers reported that staffing levels were worse since the beginning of the pandemic compared to 54 percent of non-profit LTC workers and 50% of municipal LTC workers.<sup>22</sup> Allegations of understaffing, negligence and insufficient care are not new to Revera. There was already a class action lawsuit in Ontario and Manitoba made up of 85 families alleging understaffing and negligence resulting in the deaths of their loved ones prior to the pandemic.<sup>23</sup>

## Legal Actions against Revera

New legal actions have been filed by family members of loved ones who have died at Revera homes during the first wave of the COVID-19 pandemic. The legal actions allege improper responses to the pandemic including negligence and improper sanitation protocols and inadequate testing, as follows:

### Class Action against Revera Inc.

In April, Toronto-based law firm, Diamond and Diamond Lawyers, filed an application for a \$50 million class-action lawsuit on behalf of Peter Masucci and Tonino Ricci, against Revera Inc. over the company's response to the pandemic. "The plaintiffs allege that the facilities lacked proper sanitation protocols as well as adequate testing," according to their [press release](#). The class action has been filed on behalf of all persons who have lived, or are currently living, at one of the Revera retirement living residences in Ontario. The time period referenced within the suit is January 1, 2020 to "the end of the pandemic", a date which is currently unknown at this time. The class also includes the families of these individuals who may seek appropriate damages. None of the allegations have been proven in court. A statement of defence has yet to be filed.

### Class Action against Revera and Sienna

In a statement of claim, six representative plaintiffs, including Tracey Rowley, Melody Germain, Sally Acker, Scia Shortliffe, and Angele Mansfield, represented by law firm Diamond and Diamond, are seeking \$100 million in damages for negligence and breach of contract. This is an [expanded lawsuit](#) that now includes Sienna Senior Living in addition to Revera and its subsidiaries. The class action is brought forth on behalf of all persons who have lived, or are currently living, at one of the Revera Retirement Living or Sienna Senior Living residences in Canada. The class also includes the families of these individuals who may seek appropriate damages. The estimated size of the class is upwards of 1000 Plaintiffs.<sup>24</sup>

<sup>19</sup> <https://www.thestar.com/business/2020/05/08/for-profit-nursing-homes-have-four-times-as-many-covid-19-deaths-as-city-run-homes-star-analysis-finds.html>

<sup>20</sup> <https://globalnews.ca/news/7059683/coronavirus-ontarios-worst-hit-nursing-homes/>

<sup>21</sup> <https://globalnews.ca/news/7206832/coronavirus-ontario-for-profit-nursing-homes/>

<sup>22</sup> <https://www.ontariohealthcoalition.ca/wp-content/uploads/LTC-staffing-survey-report.pdf>

<sup>23</sup> <https://www.cbc.ca/news/canada/manitoba/revera-care-home-lawsuits-manitoba-1.4960056>

<sup>24</sup> <http://www.netnewsledger.com/2020/05/25/100-million-class-action-law-suit-launched-over-covid-19-long-term-care-homes/>

## The Call to Make Revera Public

On May 26, 2020 the president of the Public Service Alliance of Canada, the union representing federal civil servants whose pension plan now owns Revera, called on the Public Sector Pension Investments (PSP) to “end its investment in Revera Inc. and instead put the second largest Canadian network of for-profit long-term facilities under public ownership and control.”

The union notes, in its press release that Revera Inc. is a wholly owned subsidiary of PSP, which manages the investments of the pension plans of the federal public service, the Canadian Armed Forces, the Royal Canadian Mounted Police and the Reserved Force, stating:

*“As the bargaining agent for members of the federal public service and federal agencies, PSAC represents a large proportion of the contributors and beneficiaries of federal public service plan. PSAC made the call for a change in ownership of Revera Inc. as a result of mounting evidence that the incidence of deaths and illnesses attributable to COVID-19 is disproportionately large in private, for-profit long term care facilities. Also, a class action lawsuit by family members of deceased former residents of Revera Inc, has exposed the risk that comes with owning the long-term care chain. This is not the first time PSAC has complained about Revera’s operations and conduct but the responses from PSP investments were inadequate and dismissive.”*

“PSP Investments must respond to the concerns of our members about the safety and security afforded to residents and workers at Revera Inc facilities.” said Chris Aylward, National President of PSAC.

The Ontario Health Coalition is supporting the courageous and principled position of the Public Service Alliance of Canada and is calling for all for-profit long-term care to be made public, starting with Revera.