



TO: Chair and Members of the Board of Health

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2013 October 17

PROPOSED CRITERIA FOR 2014 BUDGET PROCESS

Recommendation

It is recommended that the Board of Health endorse the refined criteria presented in Report No. 117-13 re “Proposed Criteria for 2014 Budget Process.”

Key Points

- Following approval of the Finance and Facilities Committee’s recommended 2014 budget/planning timeline and process, staff have proposed refined the criteria for investments and dis-investments.
- The major refinements are (1) the addition of “ability to meet legislative requirements” and “organizational risks / benefits” as criteria, and (2) subdivision of the Ontario Public Health Standards principles into sub-components to be individually rated.

Background

At the September 2013 meeting, Board of Health members will recall approving the 2014 budget/planning timeline and process recommended by the Finance and Facilities Committee (FFC) (see [Report No. 094-13](#)). This process includes the use of “Program Budgeting and Marginal Analysis [PBMA], which transparently applies pre-defined criteria to prioritize where proposed decreases or increases could be made,” to facilitate “reallocation of resources based on maximizing the value of services across the four principles of the [Ontario Public Health Standards](#) [OPHS] (Need, Impact, Capacity, and Partnerships/Collaboration).”

Since that meeting, staff have worked to operationalize these principles as criteria for decision-making. This work was done with the assistance of Prof. Craig Mitton and Dr. Francois Dionne, experts in the PBMA process.

Refinement of the Criteria

As reported at the Board of Health meeting in September, transforming the OPHS principles into PBMA criteria led to the addition of “ability to meet legislative requirements” and “organizational risks / benefits” as criteria. In the current proposed criteria, the OPHS principles are also divided into sub-components to be individually rated. The proposed criteria are described in [Appendix A](#).

The two additional criteria were added because they provide valuable information regarding the risks associated with each proposal. During proposal evaluation, it will be important to know whether each proposal puts the Board at risk of not meeting a legislated requirement, as well as risk of litigation, diminished public reputation, or poor staff morale.

Sub-components were added to the OPHS principles on the guidance of Dr. Dionne. Based on his extensive experience with PMBA, Dr. Dionne reported that the use of specific criteria related to such issues as implementation challenges, client experience and equity will provide valuable information for informing the proposal evaluation process.

Next Steps

After finalization of the criteria, staff can begin developing proposals. However, before proposals can be submitted or evaluated, each criterion must be assigned a weight to reflect its relative importance. Board of Health members will be given the opportunity to discuss and decide criteria weights at the Board retreat on November 1.

This report was prepared by Mr. Ross Graham, Manager of Strategic Projects.

A handwritten signature in blue ink, appearing to read "Chris Mackie".

Christopher Mackie, MD, MHSc
Medical Officer of Health