



TO: Chair and Members of the Board of Health

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2014 January 16

REVISED PUBLIC HEALTH FUNDING AND ACCOUNTABILITY AGREEMENT

Recommendation

It is recommended that the Board of Health receive Report No. 009-14 re Revised Public Health Funding and Accountability Agreement for information.

Key Points

- The three year accountability agreement between the Ministry of Health & Long Term Care (MOHLTC) and Middlesex-London Board of Health has expired.
- The MOHLTC is now proposing revisions for future agreements.

Background

In 2011, each Board of Health entered into a three-year funding and accountability agreement with the MOHLTC (see Report No. 080-11). Known as the Public Health Accountability Agreement (PHAA), this agreement sets out funding and accountability obligations for Boards of Health and the MOHLTC. The PHAA also launched a performance monitoring process where Board of Health performance is measured using 14 indicators. The PHAA's three year term ended December 31, 2013.

In preparation for the conclusion of PHAA, the MOHLTC has proposed revisions to the agreement, as well as the performance monitoring process. Boards of Health will be given the opportunity to comment on these revisions via two webinars that will be held in early 2014.

Proposed Agreement Revisions

There are six significant revisions to the agreement (see [Appendix A](#) for the entire proposed agreement, provided by the MOHLTC, revisions marked using track-changes):

1. **Name:** The agreement will now be known as the Public Health Funding and Accountability Agreement (PHFAA).
2. **Term:** The PHFAA will no longer use a three year term. Instead it will commence once signed by both parties and will continue until it is terminated by the MOHLTC. However, the agreement must be reviewed at least every five years.
3. **Financial Controls:** The PHFAA will require Boards of Health to comply with a list of required financial controls. See [Appendix B](#) for the list of financial controls.
4. **Right to Request Information:** A new item has been added allowing "the Province [to] request additional information, or ... meetings with the Board of Health to support compliance with any aspect of this Agreement" (item 8.6).

5. **User Fees and Revenue Reporting:** While the PHFAA no longer requires Boards of Health to share net revenue generated by fees, there is now specific language requiring revenue reporting.
6. **Asset Management:** The PHFAA no longer requires Boards of Health to maintain an inventory of Tangible Capital Assets with a value exceeding \$5,000.

Proposed Indicators for the PHFAA

There are also four significant proposed changes to the performance monitoring process (See [Appendix C](#) for a detailed overview of these changes):

1. **Indicator Categories:** There are now three indicator categories: performance, monitoring and developmental.
2. **Number of Indicators:** There are now 28 indicators (up from 14).
3. **New Indicator Development:** The PHFAA now requires Boards of Health to “collaborate on the development of developmental indicators for areas of mutual interest.”
4. **Reporting:** The PHFAA has revised the process for Boards of Health to report issues with compliance with the agreement’s conditions (i.e., compliance variance) and issues with achieving performance targets (i.e., performance variance). See article five of the PHFAA for more details.

Feedback and Risk Tool

In January or February 2014, the MOHLTC will be holding webinars for Board of Health members (as well as senior Health Unit staff) to provide comment on the PHFAA. Webinar dates and time have not yet been released.

Board of Health members should also be aware that the MOHLTC is also preparing to launch an Organizational Risk Monitoring Tool (i.e., the “Risk Tool”) that is designed to “identify risks related to not meeting the requirements in the Organizational Standards and the PHFAA” and “provide the ministry with an opportunity to assess boards’ risk management approaches, and identifies areas in need of supports or interventions.” While a release date has not been announced, the MOHLTC has reported that the Risk Tool will be operationalized under the PHFAA.

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



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