



TO: Chair and Members of the Board of Health

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2014 November 20

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## 2014 BUDGET – MOHLTC APPROVED GRANTS

### ***Recommendation***

*It is recommended that the Board of Health approve the Public Health Funding Accountability Agreement as appended to Report No. 066-14.*

### **Key Points**

- On November 5<sup>th</sup> the Health Unit received notice of provincial grant approvals for 2014. The provincial share of the Mandatory Programs increased by 2% as anticipated.
- The 100% funding for Public Health Nursing positions received funding increases, but pressures remain. Healthy Smiles Ontario, and the Infectious Disease Control Initiative are also under pressure.
- The Public Health Funding Accountability Agreement includes a new Schedule E, relating to the requirement for the Board of Health to ensure certain financial controls exist.

### **2014 Provincial Grant Approval**

As part of the 2014 budget process, a grant request was made to the province in early March 2014. This request was the subject of Board [Report No. 015-14](#), “2014 Budget Overview”. On November 5<sup>th</sup>, 2014 the Board received confirmation of the approved Ministry of Health and Long-Term Care (MOHLTC) grants for the mandatory and related programs for 2014. The funding letter is attached as [Appendix A](#). Table 1, attached as [Appendix B](#), compares the ministry approved grants with the Board of Health grant request for 2014.

As can be seen by reviewing Table 1, the Health Unit received the anticipated increase (2%) from the province for the delivery of the Ontario Public Health Standards (OPHS) programs. This funding represents 68.5% or \$15,709,206 of the total anticipated costs for OPHS programs. The Board of Health requested 75%, or \$16,805,517 which was denied as it has been since 2006.

#### 100% Public Health Nursing Position funding

The 100% funded Public Health Nursing (PHN) positions (Infection Prevention & Control Nurse – 1.0 FTE, and 2.0 FTE under the Public Health Nurses Initiative) also received a 2% increase over the 2013 ministry approved amount. As in past years, the level of funding is not sufficient to support the wages and benefit costs of these 3.0 FTEs. The Health Unit will mitigate this situation in 2014 (shortfall of approximately \$16,394) by fully utilizing the funding under the Chief Nursing Officer Initiative, which is also available to support a 1.0 FTE PHN position.

#### Healthy Smiles Ontario

The Healthy Smiles Ontario grant remained the same for 2014 at \$783,924. This level of funding is inadequate for 2014 due to a change in eligibility and due to increased demand for dental preventative services. The Health Unit has made a one-time funding request to the MOHLTC for the anticipated shortfall, the details of which can be found in [Report No. 045-FFC](#).

### 100% Infectious Disease Control Initiative

The 100% Infectious Disease Control Initiative began in 2004 just after the world was introduced to Severe Acute Respiratory Syndrome (SARS). This provincial initiative was meant to enhance infectious disease control measures across the province. In 2004, the Health Unit received \$1,132,740 to support this initiative and was approved for 10.5 FTEs. At that time the funding per FTE was more than enough to fund these positions as well as other operating and start-up costs. Since then the level of funding has not kept pace with inflation. The approved provincial grant for 2014 is \$1,166,722, which is not sufficient to cover salary and benefits for the 10.5 FTEs. For 2014, funding for implementation of Panorama will help offset this shortfall, however this will continue to be a pressure in future years.

### One-time Funding

The Health Unit received three grants based on business cases for one-time funding that the Health Unit submitted earlier this year. The Panorama Initiative was one of them. This initiative received \$13,177 less than the previous years and this is attributed to the fact that the system has been implemented as of May 2014 and there should be less implementation costs for the remainder of the project.

### **New Public Health Funding Accountability Agreement**

To accept the 2014 MOHLTC grants, the Board of Health must sign the Public Health Funding Accountability Agreement attached as [Appendix C](#). The agreement provides the terms and conditions for which the grants are provided. It includes related program policies and guidelines (Schedule B-1), reporting requirements (Schedule C-1), performance obligations (Schedule D-1), and lastly new requirements for Boards of Health regarding financial controls (Schedule E-1). [Report No. 038-14FFC](#) was provided to the Finance and Facilities Committee explaining this new schedule and to report that the Health Unit is in compliance to this new requirement.

This report was prepared by Mr. John Millson, Director of Finance & Operations.



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