



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2016 October 6

2016 BUDGET – MOHLTC APPROVED GRANTS

Recommendation

It is recommended that the Finance & Facilities Committee receive and make recommendation to the Board of Health to approve the Board Chair to sign the Amending Agreement No. 5 to the Public Health Funding Accountability Agreement as appended to Report No. 036-16FFC.

Key Points

- On September 23rd the Health Unit received the provincial grant approvals for 2016 which included the full-year impact of integrating dental programs to the Health Smiles Ontario program.
- Taking into account the dental integration, Mandatory Programs will receive \$9,087 more than the 2% assumption used for the 2016 budget. The increase on Mandatory Programs per se was around 1.5%.
- Also included was approval of three one-time funding grants for business cases submitted at the time of the grant request, and funding for the continued implementation of Panorama totaling \$225,100.

2016 Provincial Grant Approval

The Health Unit's 2016 grant request to the Province ([Appendix A](#)) was made March 1, 2016. On September 23rd, 2016 the Health Unit received details of the Ministry of Health and Long-Term Care (MOHLTC) grants for 2016 (see funding letter and amending agreement, [Appendix B](#)).

In a communication received by Roselle Martino, Assistant Deputy Minister, Population and Public Health Division, Monday September 26th the following information was shared to all health units.

“In total for 2016, boards of health are receiving approximately \$27 million in additional funding for public health programs and services. This includes 1% growth funding for Mandatory Programs, which is being allocated proportionally to 10 boards of health based on a funding formula that takes into account population and equity adjustment factors, and funding for a number of related public health programs and initiatives, such as increased investments for: the newly integrated Healthy Smiles Ontario Program, public health service delivery for First Nations communities, northern boards of health that provide public health services in unorganized territories, capital and infrastructure improvements, ongoing operations and upgrades for Panorama, delivery of diabetes prevention programming, and implementation of the Immunization of School Pupils Act regulatory amendments.”

In addition, ministry staff will contact each health unit to discuss and clarify 2016 funding.

Mandatory Programs Funding

For 2016, the Board of Health approved budget (“the budget”) included an estimated MOHLTC grant of \$16,486,925 for Mandatory Program funding (see Table 1 below). The budget did not consider reallocating other cost-shared dental program costs of \$218,573 to Health Smiles Ontario (HSO) as identified in

“Schedule A-6, Program-Based Grants” of the amending agreement. The 2016 budget took into account anticipated reductions for the integration of dental programs as it pertains to fee-for-service payments to community dentists. However, the amount adjusted during the budget process differs from the ministry calculated amount by \$134,513. If the increase to HSO of \$11,726 is included a total of \$146,239 in additional Mandatory Program costs will be reallocated to HSO.

Table 1 – Reconciliation of Board of Health Approved Budget to MOHLTC Approved Grant

	2016 Budget
Total MOHLTC – Cost-shared programs ¹	\$ 16,972,825
Less: Vector-Borne Disease Program grant	(462,000)
Less: Small Drinking Water Systems grant	(23,900)
Total MOHLTC – Mandatory Programs grant	\$ 16,486,925
Adjustment: reallocation to HSO – MOHLTC	(218,573)
Adjustment: additional HSO reallocations	(146,239)
Adjusted BOH approved budget – MOHLTC grant	\$ 16,122,113
Ministry Approved grant – Mandatory Programs	16,131,200
Increase over the adjusted BOH approved budget	\$ 9,087

1) Amount approved by the Board of Health – Feb 18, 2016, [Report No.008-16](#)

Adjusting for dental integration, the Health Unit received \$9,087 more than it planned for in regards to Mandatory Program funding in 2016.

100% Ministry Funded Programs

With the exception of Health Smiles Ontario (HSO), the health unit did not receive any base increases in other 100% ministry funded programs. A 0% change was anticipated and included in the budget. As previously mentioned the HSO program received an \$11,726 increase over the adjusted 2015 base funding.

One-time Funding

The Health Unit submitted four business cases, totaling \$154,731, for one-time 100% funding. The Health Unit received approval for three business cases related to the Smoke Free Ontario program in the total amount of \$95,400. Also \$129,700 was received for the continued implementation of Panorama. This funding is available until March 31, 2017. As previously reported the fourth business case with respect to the space needs assessment and site selection process for the Location Project of \$70,000 has been referred to the new application process through the Community Health Capital Program. The budget did not include the 100% one-time funding requests. These initiatives generally start only when grants have been approved.

Amending Agreement to the Public Health Funding Accountability Agreement

To accept the 2016 MOHLTC grants, the Board Chair must sign the Amending Agreement to the Public Health Funding Accountability Agreement attached as [Appendix B](#). The amending agreement provides the relevant changes to the terms and conditions of the Agreement signed in 2014.

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



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