



TO: Chair and Members of the Finance & Facilities Committee
FROM: Christopher Mackie, Medical Officer of Health / CEO
DATE: 2019 September 5

2019 BUDGET – MOHLTC-APPROVED GRANTS

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health

- 1) Receive Report No. 030-19FFC re: “2019 Budget – MOHLTC-Approved Grants” for information; and*
- 2) Approve removing the deficit mitigation step with respect to recruitment as outlined in the April Board of Health Report 031-19 Impact of 2019 Provincial Budget.*

Key Points

- On August 20, the Health Unit received notification from the Ministry of Health and Long-Term Care (MOHLTC) that current cost-sharing arrangements for boards of health will be maintained for 2019.
- New 100% funding totaling \$1,861,400 is provided for the Ontario Seniors Dental Care Program.
- Also included was approval of a one-time funding grant of \$10,000 submitted to the Ministry with the 2019 Annual Service Plan and Budget Submission on March 1.

Background

A letter from Christine Elliott, Deputy Premier and Minister of Health, on Tuesday, August 20 ([attached as Appendix A](#)), confirms that the MOHLTC will maintain base funding at 2018 levels but will provide support for the new Ontario Seniors Dental Care Program of \$1,861,400. In addition, up to \$10,000 in one-time funding will be available for the 2019–20 funding year. Total maximum funding available under the Accountability Agreement is \$23,153,200, as set out in the following table:

Table 1 – Summary of Board of Health Approved Budget

	2019 Budget
Mandatory programs – cost-shared	\$ 17,101,100
Base funds – 100%	4,180,700
Ontario Seniors Dental Care Program – 100%	1,861,400
One-time funds	10,000
Total Maximum Base Funds	23,153,200

One-Time Funding

As part of the 2019 Annual Service Plan and Budget Submission on March 1, the Health Unit submitted four business cases totaling \$328,468 for base funding requests, and five business cases totaling \$544,994 for one-time funding requests. Of these, a one-time grant of \$10,000 was received for Public Health Inspector Practicum Program Funding.

Planning for 2020

In the letter from Minister Elliott, reference is made to the anticipated shift in the public health funding model that will raise the municipal share of funding to 30% for the majority of public health programs and services, effective January 1, 2020. To help achieve this shift, the provincial government will protect municipalities from any cost increases exceeding 10% of their current contribution by providing one-time mitigation funding to offset funding shortfalls.

At the July 18 meeting, the Board approved the request of the full amount of the provincial cost-sharing reductions, but not cost-of-living pressures, from the municipal funders. Given the 10% cap on increases to municipal contributions, the full amount can no longer be requested. However, the one-time mitigation funding permits the budgeting process to continue with a disinvestment target sufficient to cover budget inflationary pressures, or approximately \$570,000.

In the April Board of Health Report 031-19, in the face of the funding uncertainty, the Senior Leadership Team recommended taking reasonable but not dramatic steps to balance the maintenance of important front-line services and mitigate any deficits. These included introducing a hiring freeze and limiting discretionary travel (i.e. conferences). Given MLHU has now received further information with regards to funding for 2019, it is recommended that these mitigation steps be removed for the remainder of 2019.

Next Steps

With this added clarity for 2019, staff are recommending discontinuation of hiring restrictions initiated in April of this year.

This report was prepared by the Finance Team, Healthy Organization Division.



Alexander Summers, Associate Medical Officer of Health



Maureen Rowlands, Director, Healthy Living

On behalf of Christopher Mackie, Medical Officer of Health / CEO