



TO: Chair and Members of the Board of Health

FROM: Dr. Alexander Summers, Medical Officer of Health
Emily Williams, Chief Executive Officer

DATE: 2023 September 21

UPDATES FROM ONTARIO'S MINISTRY OF HEALTH IN AUGUST 2023

Recommendation

It is recommended that the Board of Health receive Report No. 53-23 re: "Updates from Ontario's Ministry of Health in August 2023" for information.

Key Points

- In August 2023, two significant pieces of correspondence ([Appendix A](#) and [Appendix B](#)) from the Ministry of Health were received that have strategic implications for the future of the Middlesex-London Health Unit.
- These updates from the Ministry may impact the funding, programming, and jurisdiction of the Middlesex-London Health Unit.

Background

In August 2023, two significant pieces of correspondence from the Ministry of Health were received that have strategic implications for the future of the Middlesex-London Health Unit.

Memorandum – Provincial Strategy to Strengthen Public Health ([Appendix A](#))

On August 22, 2023, the Chair of the Board, the Medical Officer of Health, and the Chief Executive Officer received a memorandum from the Chief Medical Officer of Health of Ontario, Dr. Kieran Moore. Titled 'Provincial Strategy to Strengthen Public Health in Ontario', the memorandum highlighted key initiatives intended to "optimize capacity, stability and sustainability in the public health sector." The key initiatives of the strategy include clarifying roles and responsibilities through the Ontario Public Health Standards (OPHS), supporting voluntary mergers among local public health agencies, and providing stable, sustainable funding to local public health agencies.

Specifically, with regards to the stabilization of funding, the Province announced that base funding previously downloaded to municipalities in 2020, and covered by mitigation funding since that time, will be restored. For the MLHU, this is \$1,361,300. Additionally, the province announced that local public health agencies will be provided with growth base funding of 1% annually over the next 3 years.

Funding and Accountability Agreement for 2023-24 ([Appendix B](#))

On August 29, 2023, the Chair of the Board, the Medical Officer of Health, and the Chief Executive Officer received the updated schedules to the Funding and Accountability Agreement. Beyond increases to capital (\$177,200) and operational (\$1,300,000) funds for the Ontario Seniors Dental Care Program, the MLHU received a 1% increase to its mandatory cost-shared program budget (\$200,100).

Implications for the Middlesex-London Health Unit

These announcements have the following impacts on the Middlesex-London Health Unit.

- **Funding**
 - The clarity regarding funding for the next three years is helpful for planning and prioritization. However, the incremental increases to the base budget of 1% annually is insufficient for the agency to maintain its current or historic service levels given the ongoing inflationary pressures.
 - This pressure will be acutely felt. Despite the recent Provincial announcements, the anticipated budgetary shortfall for 2024 is between \$2,600,000 to \$2,800,000.
 - The restoration of the previously downloaded base funding avoids further increases to municipal contributions. However, it does not reflect a return to the previous cost-share formula of 75:25, as the actual funding amount provided has not been adjusted since the third quarter of 2018, while significant inflationary pressures have continued since that time.
- **Programs and Interventions**
 - The Province will be seeking to refine, refocus and re-level the roles and responsibilities of local public health. This will result in an updated and revised Ontario Public Health Standards, anticipated by January 1, 2025.
 - Regrettably, given the fiscal realities facing the agency this fall, the MLHU will need to independently identify strategic areas for disinvestments (see Report No. 0XX-22 re Strategic Prioritization for the Middlesex-London Health Unit).
- **Voluntary mergers**
 - The Province will be providing resources to incentivize mergers between local public health agencies in order to increase capacity in the sector.
 - This fall, the Province will be developing criteria to inform the merger process (i.e. optimal population size, minimum capacity requirements).
 - In the absence of provincial criteria, it is unclear at this time if the MLHU would be considered a candidate for merging. Additionally, it is unclear how the size and capacities of neighbouring public health agencies would influence expectations for the MLHU to consider mergers.
 - In 2019, in response to the amalgamations and budgetary changes proposed in the 2019 budget, the MLHU submitted a report outlining its recommendation regarding public health modernization in Ontario (see [Report No. 06-20](#) for more information). These recommendations may still be relevant in the current context.

Next Steps

The Ministry has signalled the creation of working groups to address each of the key initiatives outlined in the *Provincial Strategy to Strengthen Public Health*. Senior leadership at the MLHU will continue to engage and support this work, and provide relevant updates to the Board, specifically regarding the expectations of the Province regarding mergers.

This fall, the MLHU will undertake a prioritization process in order to independently identify strategic areas for disinvestments (see [Report No. 54-23](#) for more information).

This report was jointly prepared by the Medical Officer of Health and Chief Executive Officer.



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