



MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 100-12

TO: Chair and Members of the Board of Health

FROM: Graham L. Pollett, MD, FRCPC
Medical Officer of Health

DATE: 2012 September 13

2012 BUDGET – PROVINCIAL APPROVED GRANTS

Recommendation

It is recommended that the Board of Health sign the Amending Agreement No. 4 to the Public Health Accountability Agreement as appended to Report No. 100-12.

Background

In February 2012, the Board of Health approved a 2012 operating budget for cost-shared programs in the net amount of \$23,092,916 anticipating a 3% increase in provincial grants for the Mandatory Programs. Table 1 below provides the summary of the 2012 Board Approved Cost-Shared Budget.

Table 1-2012 Board Approved Cost-Shared Budget Summary

	Total	Province	City	County
Mandatory Programs	\$ 22,306,693	\$ 15,247,229	\$ 5,929,952	\$ 1,129,512
Vector Borne Disease	615,956	461,967	129,351	24,638
Small Drinking Water Systems	70,267	52,700	14,756	2,811
CINOT Expansion	100,000	75,000	21,000	4,000
2012 Total Cost Shared	\$ 23,092,916	\$ 15,836,896	\$ 6,095,059	\$ 1,160,961

2012 Provincial Grant Approval

A grant request was made to the province in April 2012 based on the Board approval. On July 17, 2012, the Board received confirmation of the approved Ministry of Health and Long-Term Care (MOHLTC) grants for the mandatory and related public health programs. Attached as [Appendix A](#) is the funding letter related to 2012 Ministry approved grants for the mandatory and related public health programs and services. Table II below provides a summary which compares the amounts requested to the ministry approved grants for cost-shared programs.

Table 2 – Comparison of Provincial Versus Board of Health 2012 Approved Budget

	Board of Health Grant Request	Provincial Approval	Increase / (Decrease)
Mandatory Programs	\$ 15,247,229	\$ 15,099,198	\$ (148,031)
Vector Borne Disease	461,967	461,967	-
Small Drinking Water Systems	52,700	23,900	(28,800)
CINOT Expansion	75,000	70,601	(4,399)
2012 Total Cost Shared	\$ 15,836,896	\$ 15,655,666	\$ (181,230)

It can be seen that the MOHLTC approved grants yielded \$181,230 less than the Board had expected for programs that are cost-shared with obligated municipalities. As previously stated the 2012 budget for Mandatory Programs was approved by the Board based on a 3% increase. However, the approved grant represents a 2% increase thereby creating a shortfall of \$148,031. In addition, in 2012 the Small Drinking Water Systems program reverted to a cost-shared program where previously it had been 100% provincially funded. Earlier this year, MOHLTC staff reviewed the number of water systems per catchment area for each Health Unit and altered the funding allocated for this program based on the revised number of systems. No phase-in period was offered (despite the late 2012 budget approval announcement) resulting in a shortfall of \$28,800 for this program this year. Lastly, the funding for the Children In Need of Treatment (CINOT) Expansion program was reduced by \$4,399. This program provides urgent dental care to adolescent children ages 13-17 years who do not have any other form of dental coverage. The change in funding resulted in a MOHLTC staff review of 2011 claims whereas the submitted budget had been based upon projected cases for 2012.

The remainder of the approved grants are detailed on the revised Schedule A-4, of the amending agreement attached as [Appendix B](#). These items are all 100% provincially funded and as can be seen no increase was received for 2012.

Addressing the Budget Shortfall

For 2012, the total shortfall of \$181,230 can be managed through a variety of one-time funding sources. As a result of receiving one-time provincial grants for the Enhanced Safe Water Initiative and the Needle Exchange Program, \$94,445 can be reallocated to address the shortfall. The remaining \$86,785 can be managed through additional unanticipated salary and benefit savings in 2012. However, the ongoing nature of this shortfall requires that it be permanently addressed beginning in 2013. Report No 101-12, this agenda, speaks to this issue.

Revisions to the Accountability Agreement

As a result of the MOHLTC approving its various grants to this health unit, the previously signed Public Health Accountability Agreement between the Board of Health and the Province of Ontario requires amending. The amendments are as follows:

- 1) Deleting the Minister of Health Promotion and Sport and Ministry of Health Promotion and Sport everywhere in the Accountability Agreement;
- 2) Deleting Schedule A-3 (Program Based Grants) and substituting Schedule A-4 (Program Based Grants);
- 3) Deleting Schedule B-3 (Related Program Policies and Guidelines) and substituting Schedule B-4 (Related Program Policies and Guidelines);
- 4) Deleting Schedule C-2 (Reporting Requirements) and substituting Schedule C-3 (Reporting requirements); and
- 5) Deleting Schedule D (Board of Health Performance) and substituting Schedule D-1 (Board of Health Performance).



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