



INFORMATION REPORT

TO:	Mayor and Members Board of Health
COMMITTEE DATE:	December 5, 2016
SUBJECT/REPORT NO:	Public Health Funding and Accountability Agreement (BOH16062) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Jennifer Hohol Senior Project Manager (905)546-2424, Ext. 6004
SUBMITTED BY:	Elizabeth Richardson, MD, MHSc, FRCPC Medical Officer of Health Public Health Services
SIGNATURE:	

Council Direction:

Not Applicable.

Information:

On September 23, 2016, Hamilton Public Health Services (PHS) received Amending Agreement No. 5 to the Public Health Funding and Accountability Agreement (PHFAA) from the Ministry of Health and Long-Term Care (MOHLTC) (Appendix A). The PHFAA acts as the legal framework under which a Board of Health receives provincial funding to carry out the Ontario Public Health Standards and related programs. The PHFAA also outlines financial, program, and performance improvement reporting requirements to ensure compliance with this agreement.

Base-Funding

In 2015, the MOHLTC implemented a new funding model with the goal of establishing a need and service cost based model for provincial funding allocations. As described in Report BOH15035, this funding model bases financial allocations on a per capita share of the total provincial grant for mandatory programs, adjusted by an equity factor. This factor is calculated using measures of local health needs and service costs. When initially applied to 2014 funding levels, PHS was slightly overfunded by the province at 4.16% of the actual share versus a 4.11% share determined by the model. As a result, the province held 2015 program-based grants to 2014 levels for mandatory programs, and did not provide the 2% inflationary increase requested by Council.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

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When the funding model was applied using 2015 provincial funding approvals, PHS was slightly underfunded at 4.07% relative to its 4.11% model share (Appendix B). For 2016, the funding model continues to be applied and as a result PHS has received an increase in base funding for mandatory programs of \$33,833. Despite this increase in dollars, the PHS actual share of the funding continues to decrease and remains slightly underfunded at 4.04% relative to its model share (Appendix B).

In addition to the increase due to the funding model, the MOHLTC has provided additional base funding of \$71,600 for the Needle Exchange Program Initiative (100%) and an assumed 2% increase resulting in \$14,400 for the Vector-Borne Diseases Program (75%).

It should be noted that a decrease in Healthy Smiles Ontario (HSO) for 2016 and adjustments made to the 2015 base funding for mandatory programs and HSO due to implementation of the new Integrated Healthy Smiles Ontario Program (HSO) have been reflected. While some subsidy assumptions have previously been submitted in the City budget, limited information was available at the time. As these adjustments have now been finalized through this approval, staff will reconcile and reflect accordingly once confirmed per below.

One-Time Funding

In early 2016, through Report BOH16013, the Board of Health approved the submission of one-time funding requests to the MOHLTC including support for the following programs and initiatives:

- Immunization of School Pupils Act Regulatory Amendments Implementation;
- Raccoon Rabies Strain inspection, investigation and health promotion; and
- Smoke-Free Ontario Expanded Smoking Cessation Programming for Priority Populations.

A total of \$732,000 in one-time funding dollars has been granted by the MOHLTC for various programs. As most of the one-time funding requests have been granted, PHS has not needed to mitigate pressures in those areas.

A portion of the requested one-time funding is to support implementation of regulatory amendments to the Immunization of School Pupils Act (\$168,000). Funding was also provided for continuation of implementation of Panorama (\$137,600), the new provincially-mandated database to record the immunization records of all children attending child care centres and/or school. Though this one-time funding is promising in light of the recent Vaccine Program Update (BOH16053) brought forward to the Board of Health in November 2016, these one-time dollars are not enough to resolve budget pressures within the Vaccine Program in their work to achieve full compliance with immunization expectations under the Ontario Public Health Standards and PHFAA.

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Another key area of one-time funding has been allotted to racoon rabies to support health promotion efforts (\$163,000) and staffing requests (\$198,400). At the end of 2015 Hamilton, and Ontario, saw the first confirmed case of Raccoon Strain Rabies in more than a decade and these dollars help to support rabies awareness and response efforts.

One-time funding was also granted to support the Smoke-Free Ontario Expanded Smoking Cessation Programming for Priority Populations (\$25,000) as was requested and the continued implementation of the Electronic Cigarettes Act (\$30,000).

Next Steps

In 2016, implementation of the new Integrated Healthy Smiles Ontario Program (HSO) that combines six publicly funded dental programs has had an impact on base-funding for mandatory programs as described in Report BOH15033(a). As part of this new program, the Board of Health is no longer responsible for paying fee-for-service claims to private dental providers. As a result, mandatory program base budgets have been reduced to reflect previous claim amounts. In addition, operational funding for service delivery related to consolidated dental programs have been transferred from cost-shared base budgets into the budget for HSO funded at 100%.

PHS has engaged with the MOHLTC to validate reductions in mandatory program base budgets related to fee-for-service claims payments and proposed amounts for transfer from cost-shared base budgets related to services that will continue as part of the 100% funded HSO. PHS remains in discussion with the MOHLTC at this time and Amending Agreement No. 5 to the PHFAA will be signed off at completion of the validation process. An update on the outcome of these discussions will be provided to Council during the 2017 budget process.

APPENDICES

Appendix A to Report BOH16062 - Amending Agreement No. 5 to the Public Health Funding and Accountability Agreement

Appendix B to Report BOH16062 - Public Health Funding Model Share Status