
For Information

REPORT TITLE: **Impact of Ontario Government’s Public Health Sector Announcement**

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OBJECTIVE

To provide Regional Council with an update on the Ontario government’s August 22, 2023, announcement regarding public health sector changes and the impact on Public Health funding.

REPORT HIGHLIGHTS

- On August 22, 2023, the Provincial government announced three initiatives to ‘Strengthen the Public Health Sector in Ontario’ related to funding changes, clarifying roles and responsibilities in the Ontario Public Health Standards, and supporting voluntary mergers among public health units.
 - The announced funding change indicates Public Health will receive a one per cent increase, equivalent to approximately \$500,000 per year, over the next three years.
 - The impact of this funding increase on maintaining service levels to the community will be minimal as:
 - It does not account for inflation or Peel’s population growth.
 - It does not address Peel’s ongoing funding shortfall.
 - Peel receives lower provincial per capita funding than most other public health units in Ontario.
 - Peel Public Health continues to maximize available resources through the implementation of program efficiencies and cost-saving measures.
 - Underfunding impacts Peel’s ability to meet community needs and provide timely access to services. Ongoing support from Regional Council and advocacy to the Province for sufficient funding are therefore required.
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DISCUSSION

1. Background

a) Public Health Funding Structure and Historical Underfunding

Public Health has been historically underfunded by the Province to deliver on its mandate and meet community needs. The majority of mandatory public health programs in Ontario are currently intended to be cost-shared at a 70:30 provincial-municipal ratio. However, Public Health currently has a provincial-municipal ratio of 60:40, resulting in a \$9.5 million budgeted shortfall, excluding COVID-19 funding, for 2023.

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Public Health has one of the lowest provincial per capita funding rates among public health units in Ontario. For cost-shared programs, in Peel, Public Health was funded by the Province at approximately \$34 per capita in 2022, while Toronto, Hamilton and Ottawa received \$49, \$49, and \$39 per capita respectively. Provincial funding has also not kept pace with Peel's population growth or inflationary costs.

In addition to cost-shared funding, two programs are 100 per cent provincially funded: the Ontario Seniors Dental Care program, funded by the Ministry of Health, and the Healthy Babies Healthy Children program, funded by the Ministry of Children, Community and Social Services. These programs also experience funding pressures as detailed below in Table 1.

b) Overview of Provincial Announcement

On August 22, 2023, the Provincial government announced a provincial strategy to 'Strengthen the Public Health Sector in Ontario'. It included the following changes:

- Over the next three years, providing all public health units an increase of one per cent in growth base funding annually until a future review of the Ministry's funding methodology for public health is completed.
- As well, the Province will support voluntary mergers of public health units and initiate a collaborative review of the Ontario Public Health Standards. This review is expected to further clarify public health units' roles and responsibilities (See Letters from Ministry shared at Regional Council on September 14, 2023 Regional Council Agenda, Items 10.3 and 10.4).

Further details about these announcements will be shared with Regional Council when available.

2. Implications of the Announcement for Public Health

a) Financial Impact

The Provincial one per cent funding increase is welcomed; but will not address Public Health's 2023 cumulative funding shortfall of \$9.5 million. The one per cent increase in funding over the next three years is equivalent to approximately \$500,000 per year, which does not address annual inflation, cost-of-living increases, and population growth needs.

The Ontario Seniors Dental Care program will receive an additional \$1.7 million in 2024; in 2023 this amount was pro-rated starting April 1, 2023.

Public Health will not receive a portion of mitigation funding (\$47 million across Ontario), which is allocated by the Ministry of Health to some public health units to offset the gap caused by Provincial reductions in 2020. Due to the cost-share change from 75 to 70 per cent, Peel was not affected.

Public Health has not received any communication from the Ministry about any additional increases to return to funding a greater portion of the cost-share ratio other than the one per cent increase annually for the next three years.

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b) Provincial Commitment for COVID-19 Funding Past 2023 Unknown

The Province has not made a commitment for COVID-19 funding past 2023. This creates uncertainty for the program as longer-term sustainable funding will be required to ensure that ongoing COVID-19-related costs can be addressed (see the June 22, 2023, report titled ‘Peel Public Health Recovery and Remobilization Update’).

c) Ongoing Regional Council Funding Support and Provincial Advocacy is Needed

To maintain the current level of service to the Peel community, there is a need for ongoing Regional Council support. Advocacy to the Province for sufficient and sustainable funding is also required.

Any further funding reductions would lead to increased backlogs, limit program remobilization, and contribute to employee fatigue, thereby negatively affecting Public Health’s ability to fully meet community needs; collectively these factors may impact the community’s health.

3. Funding Pressures for Mandatory Programs

Public Health continuously implements efficiencies to address inadequate funding; however, long-term predictable and sustainable funding is needed to deliver mandated public health services and adequately support the community’s health. Some Public Health examples of funding pressures are provided in Table 1.

Table 1. Examples of Community Impact of Public Health Funding Pressures

Situational Description	Community Impact of Funding Pressures
Public Health Inspections	
<ul style="list-style-type: none"> • Increase in number of public health inspections required. From 2017 to 2022: <ul style="list-style-type: none"> ○ 12 per cent increase in the number of food premise inspections needed; and ○ Four per cent increase in recreational water facilities. 	<ul style="list-style-type: none"> • In 2022, approximately 8,500 inspections were not completed. Incomplete inspections were due to various factors (e.g., insufficient employee resources, high service levels, complicated inspections post COVID-19 pandemic). • Available resources were prioritized to do: <ul style="list-style-type: none"> ○ high-risk premises (e.g., institutional settings, recreational water); and ○ at least one inspection per year in most premises.
Harm Reduction Services	
<ul style="list-style-type: none"> • Peel is facing a drug toxicity crisis, with 682 deaths in the last five years (2018-2022) and a 67 per cent increase in opioid toxicity deaths from 2018 to 2021. 	<ul style="list-style-type: none"> • Services provided do not meet the need. • Only two harm-reduction mobile vans and one planned Supervised Consumption Site to serve the vast geography of Peel.
Tuberculosis Case Management*	
<ul style="list-style-type: none"> • In 2022, Public Health managed 164 confirmed cases of tuberculosis and their 	<ul style="list-style-type: none"> • Limited resources for case and contact management increase the risk of tuberculosis spread in Peel.

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<ul style="list-style-type: none"> associated contacts, the highest number to date. The absolute number of cases has increased over time due to population growth, while Peel’s incidence rates of active tuberculosis remained stable. 	<ul style="list-style-type: none"> Current and historic per capita staffing levels for Peel’s tuberculosis program are low compared to similar programs in York Region and Toronto.
Healthy Babies Healthy Children**	
<ul style="list-style-type: none"> Despite an average of 16,000 births a year (2017 to 2020) in Peel, program funding has been frozen since 2008 with no inflationary increase. Compared to 2008, this program has 21 fewer FTEs in 2023. 	<ul style="list-style-type: none"> If the 21 FTEs were still available, every year Peel could complete: <ul style="list-style-type: none"> 2,500 more in-depth risk assessments; 800 more families served; and 8,000 more home visits.
Ontario Seniors Dental Care***	
<ul style="list-style-type: none"> Despite additional funding, the program is experiencing greater demand than what was forecasted by the Province. Public Health will be adding more infrastructure; however, it takes time to implement infrastructure changes. 	<ul style="list-style-type: none"> In Peel, approximately 10,000 low-income seniors are waiting to receive routine care. Temporary funding is being used to pay private providers to help reduce the waitlist, although there continues to be unmet demands for service.

*See October 12, 2023, report titled, ‘Strengthening the Tuberculosis Program in Peel’.

**See June 8, 2023, report titled, ‘Healthy Babies Healthy Children Funding – Supporting Peel’s Vulnerable Families’.

*** See April 27, 2023, report titled, ‘Seniors Oral Health – Public Health Program and Service Update’.

RISK CONSIDERATIONS

Regional Council’s ongoing support is vital to supporting the health of the community as any reduction in funding poses a number of risks, including:

- Inability to meet population health needs and legislative requirements that support and protect the well-being of the community;
- Challenges to the remobilization of programs and services post COVID-19 pandemic; and
- Impacts to employee well-being, such as fatigue and burnout, due to resource strains experienced while employees also try to recover from the long COVID-19 emergency response.

BILL 112 RISKS AND IMPLICATIONS

Recent legislative changes introduced by the *Hazel McCallion Act (Peel Dissolution), 2023* (‘Act’) to Public Health is uncertain at this time. While additional resources continue to be required, the *Act* has the potential to increase the difficulty in retaining and recruiting Public Health employees. This will further impact Public Health’s ability to meet community needs, as well as its ability to successfully meet Ministry-mandated public health requirements.

FINANCIAL IMPLICATIONS

Financial implications have been discussed in the body of this report.

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CONCLUSION

Although the announced funding increase for Public Health is welcomed, its impact is limited as it does not account for inflation or population growth pressures experienced.

Regional Council's ongoing funding support for Public Health is critical to meet population health needs. In addition, advocacy to the Ministry of Health must continue to help secure adequate financial support to meet provincial mandates and meet growing community needs.



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