



STAFF REPORT ACTION REQUIRED

Budget Adjustment to the Toronto Public Health 2009 Operating Budget for the MOH/AMOH Compensation Initiative

Date:	October 26, 2009
To:	Board of Health
From:	City Manager
Wards:	
Reference Number:	

SUMMARY

Medical Officer of Health (MOH) and Associated Medical Officer of Health (AMOH) vacancies are a significant and longstanding issue in the Ontario public health system. The recruitment and retention of MOHs and AMOHs in Ontario is considered essential to public health renewal. To address these issues the Ministry of Health and Long Term Care (MOHLTC) and the Ontario Medical Association (OMA) have agreed to increase compensation levels for MOHs and AMOHs to encourage recruitment and retention. This has been accomplished through the 2008 Physician Services Agreement that was ratified by the OMA's members in October 2008.

The purpose of this report is to seek confirmation from the Board of Health to apply for 100 per cent provincial funds that will increase the MOH and AMOH compensation within the provisions included in the 2008 Physician Services Agreement between the MOHLTC and the OMA.

This report also seeks City Council approval for a budget adjustment to the Toronto Public Health (TPH) 2009 Operating Budget for the additional 100 per cent funding allocation from the MOHLTC for the increased compensation levels for eligible MOHs and AMOHs.

RECOMMENDATIONS

The City Manager recommends that:

1. the Board of Health confirm its approval to apply for 100 per cent provincial funds to increase MOH/AMOH compensation in accordance with the Physician Services Agreement between the Ministry of Health and Long Term Care and the Ontario Medical Association ratified in October 2008 with an effective term of April 1, 2009 to March 31, 2012;
2. City Council increase the TPH 2009 Operating Budget by \$547.1 thousand gross and \$0.0 net which is an estimate of the total increase in 2009 salaries and benefits for the MOH and AMOHs that will be provided in the Funding Agreement to be issued by the Ministry of Health and Long Term Care before the end of 2009;
3. City Council authorize the City Manager to approve any further adjustment that may be required to the TPH 2009 Operating Budget for 100 per cent provincial funds based on the MOH/AMOH Compensation Funding Agreement received from the MOHLTC; and,
4. this report be forwarded to the City Council meeting of November 30, 2009.

Financial Impact

The table below summarizes the requested 100 percent provincially funded budget adjustment to the TPH 2009 Operating Budget.

Physician Services Agreement (\$000)	2009	2010	2011
Gross	547.1	196.7	96.5
Revenue	547.1	196.7	96.5
Net	0.0	0.0	0.0

The current 75/25 cost sharing arrangement with the province will continue for the base compensation for the MOH and AMOHs. The province will provide 100 per cent of the additional funds required to implement the MOH/AMOH Compensation Funding Agreement so that there is no impact on the non-provincial portion of the budgets for boards of health in the province including Toronto Public Health. Benefit levels will also be maintained with additional costs fully funded by the MOHLTC.

The Boards of Health in the province will not be obligated to compensate MOHs/AMOHs on a cost-shared basis at the higher salary levels when the Agreement for the 100 per cent provincial funding ends in March 31, 2012. Although the MOHLTC cannot guarantee the continuation of the provisions for MOH/AMOH compensation negotiated in the 2008 Physician Services Agreement, it is likely that provisions for MOH/AMOH compensation will be considered in the negotiation of the 2012 Physician Services Agreement.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

The recruitment and retention of MOHs and AMOHs in Ontario is considered essential to public health renewal. MOH/AMOH vacancies are a significant and longstanding issue in the Ontario public health system. To address these issues the MOHLTC and the OMA have agreed to increase compensation levels for MOHs and AMOHs to encourage recruitment and retention. This has been accomplished through the 2008 Physician Services Agreement that was ratified by the OMA's members in October 2008.

On September 17, 2009 the Ministry of Health and Long-Term Care (MOHLTC) requested that the Toronto Board of Health and the MOH and AMOHs submit completed application and consent forms for each eligible physician for additional MOH/AMOH compensation funding as provided in the 2008 Physician Services Agreement between the Ministry of Health and Long Term Care (MOHLTC) and the Ontario Medical Association (OMA). The deadline for submission of these forms was October 6, 2009. The Chair of the Toronto Board of Health has approved these application forms on behalf of the Board of Health. The Board is requested to confirm its approval of the submission of these applications for additional compensation funding.

The MOHLTC expects to provide a Funding Agreement for the additional compensation before the end of the year. This may be received later than the final scheduled meetings in December for City Council.

COMMENTS

The 2008 Physician Services Agreement between the OMA and the MOHLTC included a "Letter of Agreement" (the Letter) giving the OMA and the ministry a mandate to work together on a process that will provide boards of health with funding for additional compensation for MOHs and AMOHs to bring them up to salary levels that are competitive with other physician specialists. Under the agreement the effective term for this initiative is from April 1, 2009 to March 31, 2012. Participation in this initiative is voluntary and to be considered for additional MOH/AMOH compensation funding, boards of health and eligible physicians had to complete and submit the required forms by the October 6, 2009 deadline. The applications are being reviewed and assessed by the ministry and the additional funded compensation for each of the applicants is expected to be confirmed by early December.

A joint ministry and OMA Public Health Working Group (PHWG) has been working to develop a process to implement the Letter and to develop a compensation model for MOHs and AMOHs. The current 75/25 cost sharing arrangements will continue however, the province will provide 100 per cent of the additional funds required to implement the Agreement so that there is no impact on the non-provincial portion of the budgets for boards of health. The MOHLTC has agreed to fund 100 per cent of the additional costs, and to work with the local Board of Health, to achieve, effective April 1, 2009, salaries for MOHs and AMOHs within the following ranges:

MOHs: \$235,000 to \$275,000
AMOHs: \$200,000 to \$240,000

Benefit levels will also be maintained with additional costs fully funded by the MOHLTC. Currently the range of 2009 actual salary compensation for the MOH and the ten AMOH equivalent positions for Toronto is between \$150,000 and \$228,000 on an annualized basis. Effective October 1, 2010, the Province will fund a three percent (3%) increase to the above salary grid. Effective September 1, 2011, the Province will fund a four decimal two five percent (4.25%) increase to the resulting salary grid.

The MOHLTC is encouraging all boards of health to support this initiative that is considered a key strategy for MOH/AMOH recruitment and retention and that will make MOH/AMOH compensation levels more competitive with those of other physician specialists in Ontario.

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SIGNATURE

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City Manager