



# STAFF REPORT ACTION REQUIRED

## Budget Adjustment to the Toronto Public Health 2013 Approved Operating Budget for Healthy Smiles Ontario & CINOT Expansion Dental Programs

<b>Date:</b>	September 16, 2013
<b>To:</b>	Board of Health
<b>From:</b>	Medical Officer of Health
<b>Wards:</b>	All
<b>Reference Number:</b>	

### SUMMARY

---

This report seeks approval to amend the 2013 Approved Operating Budget for Toronto Public Health (TPH) as a result of 2013 funding confirmation received from the Ministry of Health and Long-Term Care (MOHLTC) for the 100% provincially funded Healthy Smiles Ontario (HSO) and the 75% provincially funded Children In Need Of Treatment (CINOT) Expansion Dental Programs.

### RECOMMENDATIONS

---

The Medical Officer of Health recommends that:

- 1) The 2013 Approved Operating Budget for Toronto Public Health be adjusted as follows:
  - a) a reduction of \$1,342.5 thousand gross and \$0.0 net for the Healthy Smiles Ontario Dental Program to reflect confirmed provincial funding;
  - b) a reduction of \$53.8 thousand gross and \$13.4 thousand net for the CINOT expansion dental program to reflect confirmed provincial funding;
- 2) The Board of Health forward this report to the Budget Committee for consideration.

### Financial Impact

The 2013 Approved Operating Budget for TPH includes \$8,965.5 thousand gross and \$13.5 thousand net for the HSO and CINOT programs. The MOHLTC has confirmed funding of \$7,569.2 thousand gross and \$304.7 net for HSO and CINOT programs, resulting in a funding shortfall of \$1,396.3 thousand gross and \$13.5 thousand net.

The 2013 funding shortfall of \$1,342.5 thousand gross and \$0.0 net for Healthy Smiles Ontario Dental Program is expected to have no service level impact as long as there is no significant increase in utilization of the HSO dental program.

The 2013 funding shortfall of \$53.8 thousand gross and \$13.5 thousand net for Children In Need Of Treatment Program is expected to have no service level impact.

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

## **DECISION HISTORY**

The TPH 2013 Approved Operating Budget was approved by City Council at its meeting of January 15, 2013. At the time of submission, confirmation of funding for various programs and initiatives from the MOHLTC had not been received. Estimates were included in the budget submission so programs could continue to operate. Budget adjustments are required to reflect confirmed 2013 funding that was recently received from the MOHLTC.

## **COMMENTS**

### **Healthy Smiles Ontario (HSO)**

Funding for the HSO dental program is used to reimburse dental practitioners for dental services provided to eligible HSO children and youth up to age 17 years, to pay the operational costs of TPH HSO dental clinics and the operational costs of the community oral health outreach program.

Residents of Toronto who are eligible for the HSO dental program have the right of choice of dental care provider i.e. they can choose to be seen in the private sector or at the TPH or HSO dental clinics. The allocated budget for payment of claims for residents, who choose to be seen in the private sector, has been under-spent since the program was introduced. This under spending reflects the very tight financial eligibility criteria (Adjusted Family Net Income of \$20,000) set by the MOHLTC for eligibility for HSO. Therefore fewer families than was anticipated are eligible to receive care under HSO. In addition the HSO was implemented in Toronto in 3 phases. Final implementation was completed in March 2013. Therefore there has not been one operational year of full implementation.

The first phase of the HSO 100% provincially funded dental program was implemented in 2011 with an approved operating budget of \$8, 546.4 thousand for 2011 and 2012. To date the program has been operating within the approved budget.

This is a new program and based on experience for the past 2 years there has been an annual increase in enrollment in the HSO program. However, TPH has never spent all of the approved budget as the program was implemented using a phased approach and it takes time for communities to become informed about the program.

**Enrolment in 100 % provincially funded HSO dental program for the period 2011- 2013**

Year	Number of clients enrolled	
2011		4,860
2012		8,997
2013 – as of August 30	6,634	
Full year projection 2013		9,951

Funding for the Healthy Smiles Ontario Dental Program has been confirmed by the MOHLTC for the 2013 fiscal year at \$7,264.5 thousand gross and \$0.0 net. The change from 2012 funding is a reduction of \$1,281.9 thousand gross and \$0.0 net. In addition, the program has to absorb the 2013 salaries and benefits increases of \$60.6 thousand gross and \$0.0 net for a total reduction of \$1,342.5 thousand gross and \$0.0 net. Based on the current utilization of the HSO budget, this budget reduction should have no service impact as long as there is no significant increase in utilization of the HSO dental program. By decreasing the budget the province may be assuming that the HSO utilization is maximized and is rationalizing the allotted funding to health units.

If the current policy of allowing families the choice of service provider i.e. HSO clinic, TPH clinic or private practice is maintained, a significant increase in utilization of the HSO dental program in future years could result in the budget being inadequate. If this occurs then the MOH will inform the province of the situation and request additional funding so that HSO clients continue to have the right of choice of dental care provider.

If utilization increases and no additional funding is provided, it would be necessary to either restrict patient provider choice, close TPH HSO dental clinics or reduce the oral health outreach program.

**CINOT Expansion**

The CINOT expansion dental program which was implemented in 2009, allows eligible youth 14-17 years old with urgent dental conditions, access to dental treatment services. This program is cost shared 75:25 provincial: municipal. The budget for this program has been under-spent since its inception.

The 2013 Approved Operating Budget for TPH includes \$358.5 thousand gross/\$89.6 thousand net.

Operating funding for the CINOT Expansion dental program (14-17years) has been confirmed by the MOHLTC for the 2013 fiscal year at 75% of \$304.7 thousand gross. The funds are used to pay for dental treatment services for CINOT eligible children ages 14 to 17 years and General Anaesthesia (GA) for children 5 to 17 years treated under the CINOT program. The change from the 2012 funding is a reduction of \$53.8 thousand gross and \$13.5 thousand net.

**Utilization of 75% provincially funded CINOT expansion dental program**

	# of claims	Total Expenditure (\$)
2009	351	118,587
2010	620	241,324
2011	600	352,063
2012	550	297,443
2013( August)	323	131,223
Projection for 2013	480	262,455

Based on the current utilization of the CINOT Expansion services, which has been relatively stable since 2010, the budget decrease of \$53.8 thousand will not impact client services.

The following table summarizes the impact of the required budget adjustments to the 2013 Approved Operating Budget for TPH.

Toronto Public Health -- Confirmed 2013 Funding (\$000)					
Program	2013 Approved Budget	Funding Confirmed	2013 Funding Shortfall		2014 Net Impact
			Gross	Net	
<b>Base Budget Adjustment:</b>					
2013 HSO (100% provincial funding)	8,607.0	7,264.5	(1,342.5)	0.0	0.0
2013 CINOT Expansion (75% Provincial funding)	358.5	304.7	(53.8)	(13.5)	0.0
<b>Total</b>	<b>8,965.5</b>	<b>7,569.2</b>	<b>(1,396.3)</b>	<b>(13.5)</b>	<b>0.0</b>

**CONTACT**

Dr. Hazel Stewart  
 Director,  
 Dental and Oral Health Services  
 Toronto Public Health  
 Phone: 416-338-7834  
 E-mail: [hstewart@toronto.ca](mailto:hstewart@toronto.ca).

**SIGNATURE**

---

Dr. David McKeown  
 Medical Officer of Health