

2019-2020 Ontario Budget Announcement for Toronto Public Health – Update

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May 6, 2019**

April 11, 2019 Provincial Budget Announcement

Recap Changes to Public Health

- Adjusting provincial-municipal cost-sharing of public health funding
- Establishing 10 regional public health entities and 10 new regional boards of health with one common governance model by 2020-2021
- Projecting annual savings of **\$200 million** by 2021-2022 through regionalization and governance changes to public health units
- Investment of **\$90 million** for new dental program for low-income Ontario seniors

Post April 11, 2019 Provincial Budget Announcement

Provincial-Municipal Cost-Sharing Formula Confirmed

- Provincial/Municipal cost shared funding formula with the Ministry of Health and Long Term Care (MOHLTC) is changing for Toronto from **75%/25%** and **100%** funded programs to:
 - 2019/2020: **60%** provincial/**40%** municipal effective April 1, 2019
 - 2020/2021: **60%** provincial/**40%** municipal effective April 1, 2020
 - 2021/2022: **50%** provincial/**50%** municipal effective April 1, 2021

Post April 11, 2019 Provincial Budget Announcement

Estimate of the 2019 Potential Reduction in Provincial Funding*

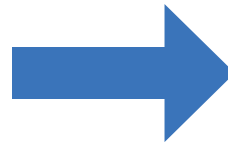
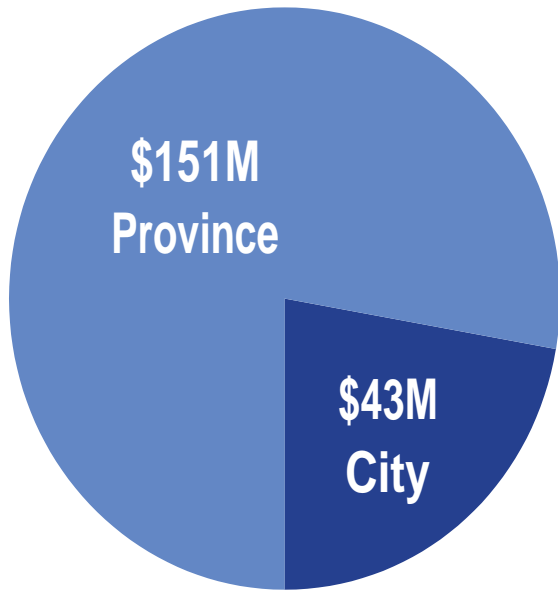
- The change to the funding formula would require an additional \$25 million (or 58%) increase in the City of Toronto's contribution to maintain the budget approved by City Council.
- Should the City be unable to make an additional investment of \$25 million, the impact of the change in 2019 is a \$65 million reduction in provincial funding for Toronto Public Health's budget.

* Estimate is based on the 2018 Approved Allocation from the MOHLTC, the 2019 City Council Approved Budget for Toronto Public Health, and an effective start for funding changes of April 1, 2019.

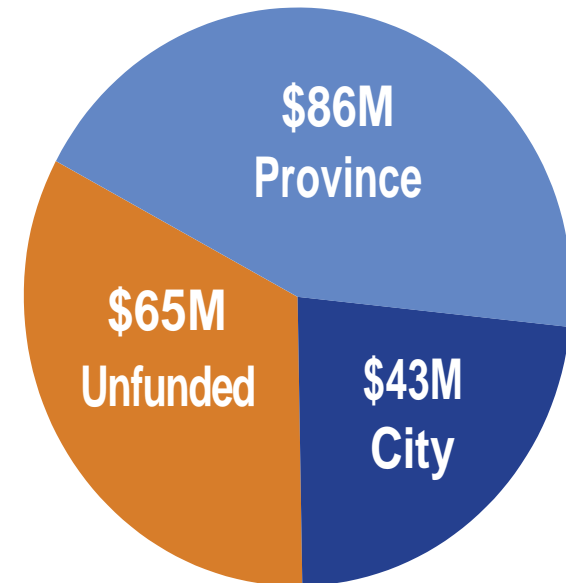
Post April 11, 2019 Provincial Budget Announcement

Estimate of the 2019 Potential Reduction in Provincial Funding*

Previous Funding Formula



New Funding Formula



* Estimate is based on the 2018 Approved Allocation from the MOHLTC, the 2019 City Council Approved Budget for Toronto Public Health, and an effective start for funding changes of April 1, 2019.

Post April 11, 2019 Provincial Budget Announcement

Estimate of the Reduction in Provincial Funding for 2020 and Onwards

- 2020/2021: **60%** provincial/**40%** municipal effective April 1, 2020
- 2021/2022: **50%** provincial/**50%** municipal effective April 1, 2021
- \$200 million annual provincial savings target in the 2019 Ontario budget (to be achieved by 2021-22) incorporates savings related to cost-sharing changes, as well as, savings from the creation of the 10 Regional Public Health Entities.
 - Toronto's share?

Post April 11, 2019 Provincial Budget Announcement

Mitigation Strategy

- To support boards of health experiencing challenges during transition, on a board by board basis, the MOHLTC will consider
 - providing one-time funding to help mitigate the financial impact on municipalities, and
 - exceptions or “waivers” for some aspects of the Ontario Public Health Standards

Post April 11, 2019 Provincial Budget Announcement

Governance model

- 10 Regional Public Health Entities, governed by autonomous boards of health, with strong municipal and provincial representation will be created by 2020-21.
- One of the 10 will be a Toronto Regional Public Health Entity

- MOHLTC has indicated its intent to engage in conversations with public health units individually to discuss the planned changes for 2019, related mitigation opportunities, and to ensure the next phase of planning supports local needs and priorities.