

## **Amendment to Blanket Contract No. 47022168 issued to K-Dental Inc. for the non-exclusive supply, delivery, installation, warranty, calibration, removal and disposal of various Dental Clinic Equipment and associated staff training for Public Health Dental Clinics**

**Date:** March 11, 2021  
**To:** Economic and Community Development Committee  
**From:** Medical Officer of Health and Chief Procurement Officer  
**Wards:** All

### **SUMMARY**

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The purpose of this report is to request authority to amend the existing Contract Number 47022168 issued to K-Dental Inc. for the provision of Dental Equipment. This proposed amendment will support additional equipment purchases for Toronto Public Health (TPH) Dental Care Programs which are 100% funded by the Ministry of Health and, in particular, the Ontario Seniors Dental Care Program (OSDCP). This report requests an amendment to increase the contract target value by \$500,000 net of all applicable taxes and charges increasing the contract value from \$1,910,410.86 to \$2,410,410.86 net of all applicable taxes and charges.

On April 11, 2019, the Government of Ontario announced a \$90 million investment for the Ontario Seniors Dental Care Program (OSDCP), a new 100% provincially-funded dental program for low income seniors. The program is delivered across the province by local Public Health Units.

On November 20, 2019, Toronto Public Health began implementation of the program. On August 21, 2020, the Ministry of Health provided the Public Health Funding and Accountability Agreement allocating Toronto Public Health with up to \$15,543,300 in base funding for the 2020 funding year to continue implementation and delivery of the OSDCP program. This agreement also provided an additional \$2,344,800 for a total of \$3,491,300 in one-time Capital Funding to be used to support infrastructure projects in Toronto, including building new dental clinics and renovating existing facilities.

The Ministry of Health indicated that base funding be utilized for purchases of required equipment for the capital projects.

## RECOMMENDATIONS

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The Medical Officer of Health and the Chief Procurement Officer recommend that:

1. The Economic and Community Development Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law) grant authority to amend Contract Number 47022168 issued to K-Dental Inc. for the provision of the supply, delivery, installation, warranty, calibration, removal and disposal of various Dental Clinic Equipment and associated staff training by an additional \$500,000 net of all applicable taxes and charges (\$508,800 net of HST recoveries) revising the current Contract value from \$1,910,410.86 net of all applicable taxes and charges (\$1,944,034.09 net of HST recoveries) to \$2,410,410.86 net of all applicable taxes and charges (\$2,452,834.09 net of HST recoveries)

## FINANCIAL IMPACT

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The Ontario Seniors Dental Care Program (OSDCP), a dental program for low-income seniors, is fully funded by the Provincial government with no net impact to the City tax base.

Funding is available in the 2021 Approved Operating Budget for Toronto Public Health for the requested amendment to increase contract number 47022168. Funding details follow (net of Harmonized Sales Tax recoveries):

Table 1: Financial Impact Summary

| Cost Centre/Cost Element      | 2021         |
|-------------------------------|--------------|
| PH3015<br>CE 3060             | \$388,800.00 |
| PH3015<br>CE4433              | \$120,000.00 |
| Total (net of HST recoveries) | \$508,800    |

The Chief Financial Officer and Treasurer has received this report and agrees with the financial impact information.

## DECISION HISTORY

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In May 2019, the City retained K-Dental Inc. (contract 47022168) through a Request for Quotation (RFQ) No. 0502-19-0020, for the non-exclusive supply, delivery, installation, warranty, calibration, removal and disposal of various Dental Clinic Equipment and associated staff training for approximately twenty-five (25) Public Health Dental Clinics for a one (1) year period from the date of award with the option to review the Contract for three (3) additional one (1) year periods. The total value for this service was \$119,234.40 net of all applicable taxes and charges.

In November 2019, City Council approved an amendment increasing the target value of contract number 47022168 by \$1,675,222.00 net of all taxes and charges in order to support additional purchases to increase dental operatory capacity, and accommodate increased staff to address increase in service levels directly relating to the implementation of the OSDCP Program funded by the Ministry of Health. The Total contract increased from \$119,234.40 to \$1,794,456 net of all applicable taxes and charges.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC9.4>

On August 21, 2020, the Ministry of Health provided a funding letter for an additional \$2,344,800 in capital one-time funding for implementation of the Ontario Seniors Dental Care Program (OSDCP). The funding letter provided one-time capital funding for the renovation of three Toronto Public Health (TPH) operated clinics, as well as the construction of new dental clinics within two Community Health Centres and one Nurse Practitioner-Led Clinic, with the stipulation that the required dental equipment be purchased through the OSDCP operating budget funded by the Ministry. (The specific location and funding allotment for each capital project is available through the following link <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.HL20.5> .)

## COMMENTS

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As the population ages, more seniors are keeping their natural dentition and the demand for treatment services to improve and maintain oral health continues to increase. Since most seniors lose dental benefits when they retire, the City of Toronto has provided dental treatment services to low income seniors through municipally funded dental clinics since 1999.

On April 11, 2019, the Government of Ontario announced a \$90 million investment for the Ontario Seniors Dental Care Program (OSDCP), a new 100% provincially-funded dental program for low income seniors across the province. The fully funded program was launched at Toronto Public Health in November 2019.

On August 21, 2020, the Ministry of Health provided the 2020 Public Health Funding and Accountability Agreement stating that base funding for the 2020 funding year is \$15,543,300 and a one-time funding for capital projects for 2020-2021 is \$3,491,300. The Ministry of Health indicated that base funding be utilized for purchases of required equipment for the capital projects.

Prior to the November 2019 launch of OSDCP, there were no provincially funded dental programs for low income, independent living seniors. The provincial OSDCP allows eligible seniors to receive timely treatment services that could otherwise, if left untreated, negatively affect their overall health and wellbeing. In order to provide these treatment services, equipment must be procured in a timely manner.

In order to purchase the equipment for the approved capital projects in a timely manner, take advantage of the 2019 contract rates, and to have clinic designs included at no additional charge, Public Health is requesting an amendment to Contract 47022168 for an additional \$500,000 net of all applicable taxes and charges (\$508,800 net of HST recoveries) revising the current Contract value from \$1,910,410.86 net of all applicable taxes and charges (\$1,944,034.09 net of HST recoveries) to \$2,410,410.86 net of all applicable taxes and charges (\$2,452,834.09 net of HST recoveries).

## **CONTACT**

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## **SIGNATURE**

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Dr. Eileen de Villa  
Medical Officer of Health

Mike Pacholok  
Chief Procurement Officer