
**Chief Medical Officer of Health and
Assistant Deputy Minister**

**Médecin hygiéniste en chef et
sous-ministre adjoint**

Public Health Division
11th Floor, Hepburn Block
Queen's Park
Toronto ON M7A 1R3

Division de la santé publique
Édifice Hepburn, 11 étage
Queen's Park
Toronto (ON) M7A 1R3

Telephone: (416) 212-3831
Facsimile: (416) 325-8412

Téléphone: (416) 212-3831
Télécopieur: (416) 325-8412

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MEMORANDUM TO: Medical Officers of Health; Acting Medical Officers of Health

RE: Funding to Health Units

As you are aware, the provincial government has made several recent announcements of increased funding for public health programs and services. This letter is intended to clarify these changes and provincial expectations associated with these increased funds.

New provincial funding is intended to enhance the total funding available for public health in order to improve local public health capacity, and the Province expects municipalities to contribute their full share to this important area of public service. While these provincial initiatives may offer limited financial relief to some local municipalities, the government's primary purpose in providing these funds is to protect and promote the health of the public.

As such, the Ministry expects each local board of health to approve a budget that will enable them to achieve and/or maintain compliance with Mandatory Health Programs and Services Guidelines and other requirements of the *Health Protection and Promotion Act*. The Ministry will review Board of Health-approved budgets in relation to guidelines and approve its share according to the following schedule of stepped increases:

- January 1, 2005 - 55% province, 45% municipalities
- January 1, 2006 - 65% province, 35% municipalities
- January 1, 2007 - 75% province, 25% municipalities

These increases will apply to all mandatory programs, including West Nile virus and the Public Health Research, Education and Development program, and is in addition to

continued 100% funding for Infection Control (previously known as “SARS”) positions that were first approved in 2003.

Requests for Information System projects will be considered by the Ministry in the context of its Public Health Information & Information Technology (PHIIT) Strategy. Funding priorities for future years will be determined in concert with the recently formed Public Health E-Council and conveyed to local boards of health in the coming months.

Cash-flow to local boards of health will be adjusted effective January 1, 2005 to reflect the 55% provincial share of public health funding. This will be calculated on the approved 2004 base budget until 2005 budgets have been approved. The 2005 Financial Planning and Accountability Guide will be distributed to boards of health in early 2005.

As part of the government's commitment to improve accountability, the Ministry will be implementing a performance measurement system in 2005. The Ministry will also be increasing its scrutiny of eligible expenditures in concert with budget review and settlement from approvals. These measures will help to ensure that provincial funds are used only for approved public health purposes. In addition, the Ministry will actively enforce compliance with the Mandatory Health Programs and Services Guidelines and will be undertaking a major review of these Guidelines over the next year, in conjunction with a forthcoming review of Local Public Health Capacity.

These actions further offer Ontario an unprecedented opportunity to address the long-standing need to strengthen local public health infrastructure on a province-wide basis.

Thank you for your continuing support and commitment to improving public health for all Ontarians.



Dr. Sheela V. Basrur
Chief Medical Officer of Health and
Assistant Deputy Minister

cc. Chairs, Boards of Health