May 21, 2019

Resolution Number 2019-416

The Honourable Christine Elliott
Minister of Health and Long-Term Care and Deputy Premier
Ministry of Health and Long-Term Care
Hepburn Block, 10th Floor
80 Grosvenor St.
Toronto ON M7A 1E9

Dear Minister Elliott:

Subject: Modernization of Ontario Public Health Units in the 2019 Ontario Budget

I am writing to advise that Regional Council approved the following resolution at its meeting held on Thursday, May 9, 2019:

Resolution 2019-416:

That the Chair of the Board of Health (Regional Chair) write a letter to the Minister of Health and Long-Term Care with copies to the Town of Caledon, the City of Brampton, the City of Mississauga, the Association of Municipalities of Ontario (AMO), Mayors and Regional Chairs of Ontario (MARCO), MPPs representing Region of Peel ridings, the Association of Local Public Health Agencies, and Chairs of Ontario’s Boards of Health to:

- Request that the Province maintain the mandate and core functions of local public health, as described in the Ontario Public Health Standards, 2018;
- Request that the Province ensure that public health remains responsive to local community needs and is enabled to work collaboratively with local municipalities and community organizations;
- Request that the Province achieve and maintain the 75 per cent provincial and 25 per cent municipal funding formula for Peel Public Health, ensuring sufficient funding levels to meet community needs;
- Request that financial implications for municipalities be mitigated, prevented, and that the Province fully fund any costs associated with Peel Public Health’s transition to a regional public health entity;
- Request that the Province consult with municipalities and public health agencies on the modernization of Ontario’s public health units.

The Regional Municipality of Peel

10 Peel Centre Dr., Suite A, Brampton, ON L6T 4B9  Tel: 905-791-7800  Web: peelregion.ca
And further, that the resolution from MARCO regarding public health funding cuts, be endorsed.

Yours Truly,

Nando Iannicca  
Regional Chair and Chief Executive Officer  
Chair, Board of Health for Peel Public Health

Enclosed

2. MARCO Briefing note titled "Response to the Province’s Proposed Restructuring of Public Health and Emergency Medical Services, and Public Health Funding Reductions"

Copied:  
Deepak Anand, MPP, Mississauga-Halton  
Rudy Cuzzetto, MPP, Mississauga-Lakeshore  
The Honourable Sylvia Jones, MPP, Dufferin-Caledon  
Natalia Kusendova, MPP, Mississauga-Centre  
Kaleed Rasheed, MPP, Mississauga East-Cooksville  
Sheref Sabawy, MPP, Mississauga-Erin Mills  
Amarjot Sandhu, MPP, Brampton West  
Prabmeet Sarkaria, MPP, Brampton South  
Sara Singh, MPP, Brampton Centre  
Gurratan Singh, MPP, Brampton East  
Nina Tangri, MPP, Mississauga-Streetsville  
Kevin Yarde, MPP, Brampton-North  
Chairs of Ontario’s Boards of Health  
Loretta Ryan, Executive Director, Association of Local Public Health Agencies  
Karen Redman, Chair of MARCO  
Pat Vanini, Executive Director, Association of Municipalities of Ontario  
Diana Rusnov, Clerk, City of Mississauga  
Peter Fay, Clerk, City of Brampton  
Carey Herd, Clerk, Town of Caledon  
Nancy Polsinelli, Commissioner of Health  
Dr. Jessica Hopkins, Medical Officer of Health

The Regional Municipality of Peel
DATE: May 7, 2019

REPORT TITLE: MODERNIZATION OF ONTARIO PUBLIC HEALTH UNITS IN THE 2019 ONTARIO BUDGET

FROM: Nancy Polsinelli, Commissioner of Health Services
Jessica Hopkins, MD MHSc CCFP FRCPC
Medical Officer of Health

RECOMMENDATION

That the Chair of the Board of Health (Regional Chair) write a letter to the Minister of Health and Long-Term Care with copies to the Town of Caledon, the City of Brampton, the City of Mississauga, the Association of Municipalities of Ontario (AMO), the Large Urban Mayors’ Caucus of Ontario (LUMCO), Mayors and Regional Chairs of Ontario (MARCO), MPPs representing Region of Peel ridings, the Association of Local Public Health Agencies, and Chairs of Ontario’s Boards of Health to:

- Request that the Province maintain the mandate and core functions of local public health, as described in the Ontario Public Health Standards, 2018;
- Request that the Province ensure that public health remains responsive to local community needs and is enabled to work collaboratively with local municipalities and community organizations;
- Request that the Province achieve and maintain the 75 per cent provincial and 25 per cent municipal funding formula for Peel Public Health, ensuring sufficient funding levels to meet community needs;
- Request that financial implications for municipalities be mitigated, prevented, and that the Province fully fund any costs associated with Peel Public Health’s transition to a regional public health entity;
- Request that the Province consult with municipalities and public health agencies on the modernization of Ontario’s public health units.

REPORT HIGHLIGHTS

- The 2019 Ontario budget was tabled on April 11, 2019.
- The budget includes significant changes to public health, including:
  - Replacing the current public health unit structure with ten regional public health entities and ten new regional boards of health by 2020-21
  - Adjusting provincial–municipal cost-sharing of public health funding in 2019-20
  - Achieving annual savings of $200 million from public health units by 2021-22
- Additional details are needed to fully understand the implications.
• Changes to public structure and governance may impact the capacity of local municipalities to address specific local public health priorities. These changes may also weaken existing linkages between public health, municipalities, and community organizations that add value across programs, such as those that target the social determinants of health.

• Furthermore, potential reductions in the provincial allocations to public health will impact programs that keep people out of hospitals and potentially create additional financial burdens for municipalities.

• Key considerations for a strong public health sector are to maintain local public health’s distinct mandate, ensure adequate funding to reduce the fiscal burden of disease, and guarantee local input in governance, determination of priorities, and partnerships.

DISCUSSION

1. Background

The 2019 Ontario budget, tabled on April 11, 2019, includes changes to the structure of the public health sector in Ontario. This report informs the Board of Health (Regional Council), as the governing body for Peel Public Health, on the public health implications of the 2019 Provincial budget. Other changes to the Ontario health care system included in the provincial budget were described in the Overview of Health System Transformation - A Region of Peel Perspective report and verbal report by the Medical Officer of Health presented to Council on April 25, 2019. A letter from the Ontario Chief Medical Officer of Health was received on April 29, 2019, with further details (Appendix I).

Under the Health Protection and Promotion Act, 1990 (‘the Act’), Regional Council is the Board of Health, and Peel Public Health is part of the Region of Peel. Further details about Regional Council’s role as the Board of Health are included in the report dated February 14, 2019, Public Health Introduction and 2014-2019 Strategic Priority Status. The Board of Health is accountable to the Ministry of Health and Long-Term Care, which mandates public health programs and services and provides cost-shared funding through annual Public Health Funding and Accountability Agreements (‘accountability agreements’). Section 72 of the Act describes the obligation of municipalities to fund local public health. The Act does not speak to the provincial responsibility to fund local public health. However, cost-sharing arrangements for public health programs and services between the province and municipalities are in place based on provincial government policy. The provincial contribution has fluctuated over time.

The Ontario Public Health Standards, issued under the Act, provide the framework and requirements for public health functions and outlines the core mandate of public health as:

• Assessment and Surveillance (e.g., opioid overdose surveillance)
• Health Promotion and Policy Development (e.g., Regional Official Plan Amendment 27 – Health and the Built Environment, Age-Friendly Planning)
• Health Protection (e.g., food premises inspections)
• Disease Prevention (e.g., immunizations)
• Emergency Management (e.g. pandemics such as H1N1)
2. Modernization of Ontario’s Public Health Units in the 2019 Ontario Budget

The 2019 Ontario budget proposes substantive changes to the Ontario public health sector. The stated goals are to improve consistency in service delivery across Ontario, and to increase coordination with the broader health system and alignment with current government priorities. Stated goals also include more efficient service delivery, which will be achieved by economies of scale, streamlined back-office functions, digitizing processes, and better coordinated action. Broader municipal engagement is also referred to as part of the rationale for these changes.

Proposed public health sector changes include:

- Establishing ten regional public health entities and ten new regional boards of health with one common governance model by 2020–21. Currently, there are 35 public health units across the province.
- Achieving annual savings from public health units of $200 million by 2021-22.
- Adjusting the provincial-municipal cost-sharing of public health in 2019-20. Currently, cost-shared programs are funded 25 per cent by municipalities and 75 per cent by the Province, but in Peel there is historical provincial underfunding relative to local community needs.
- Streamlining the Ontario Agency for Health Protection and Promotion (Public Health Ontario) to enable greater flexibility with respect to non-critical standards based on community priorities.

Subsequently, in an April 29 letter from the Chief Medical Officer of Health, it was communicated that:

- There will be six large, urban public health entities with a population over one million, a Toronto entity, and three rural/northern entities, with a population under 1 million.
- The percentage of municipal public health cost-shared funding will be increased overtime. In the case of areas over one million of inhabitants, the municipal share can go from the current 25% to 30% retroactive to April 1, 2019, and to 40% on April 1, 2021 (see Appendix I).
- The new Boards of Health will be autonomous and include municipal and provincial representatives.
- The province will consider providing one-time funding to help mitigate financial impacts on municipalities and consider exceptions or waivers for some requirements in the Standards.

More recently, the Minister of Health and Long-Term Care has noted in the media that some current local public health functions related to public health messaging on the importance of exercising, eating properly, living smoke free, and not drinking alcohol or taking drugs in excess could be shifted to the province (Government of Ontario Announcement by Ministers Cho and Elliott given in Scarborough; Minister Elliott on Newstalk1010, Moore in the Morning, 8:43 a.m.). Without further information, it is not clear what the province is planning beyond public education to address these important public health issues that require a comprehensive approach (i.e., monitoring and surveillance, policy, enforcement).
No further details on any of the proposed changes have been provided at this time. To date, there has been no consultation on the proposed changes; however, the province has indicated that they plan to consult with municipalities and public health on implementation, starting with calls over the next weeks with public health units to discuss their Annual Service Plan and Budget Submissions.

The 2019 Ontario budget also includes initiatives regarding a $90 million investment in a new low-income seniors’ dental program across Ontario, changes to alcohol access, cannabis sales and gambling regulations. Peel Public Health will monitor the proposed changes and report to Council as appropriate.

3. Implications for the Region of Peel

The reorganization of public health units and presumably service boundaries will have considerable implications for regional governments, such as Peel, that have public health units embedded within their organizational structures. Although additional details are required to better understand the full implications of the proposed changes, some considerations include:

- **Changes to public health structure and governance may impact the capacity of local municipalities to address specific local public health priorities.** If implemented as described, Peel Public Health could be delinked from the Region of Peel and Regional Council will likely not be the Board of Health. Mechanisms for municipal engagement with the new regional public health entities are not clear in the proposal. The government has committed to including municipal appointees on the Boards of Health of the new regional public health entities. Beyond this municipal representation, it is unclear how municipalities will be part of setting public health priorities, influencing decisions, and ensuring local public health needs are met.

- **Increasing geographic and population responsibilities in regional public health entities may impact linkages and relationships between public health and municipal partners.** Currently Peel Public Health has well established relationships and partnerships with various municipal departments and organizations (e.g., related to housing, employment, transportation). These strong partnerships help target the social determinants of health and policies to support healthy communities for Peel’s residents. It will be important for the new regional public health entity to support continued strong connections with municipal governments and community organizations to collaboratively improve public health outcomes. Maintaining a Peel-specific public health entity could help continue these beneficial partnerships and would help address local-level needs of current and future Peel residents.

- **There will likely be costs associated with the transition to an autonomous public health structure.** It is important for the transition to be cost-neutral for municipalities and not impact the property tax base. The province should fully fund any costs associated with Peel Public Health’s transition to a regional public health entity.

- **The proposed savings of $200 million will likely impact public health service delivery.** Although it is not clear whether specific public health programs will be targeted, the amount is significant as compared to the total population and public health program allocation of $1.27 billion in the 2018-19 Ministry of Health and Long-Term Care
Expenditure Estimates. It is unclear how these cost-savings will be achieved without downloading costs to municipalities and impacting local public health programs and services.

- **Cost-shared funding agreements with municipalities will be impacted and reduce the provincial share of funding.** Early estimates range from a $5.5M loss of revenue to a $2.7M gain in provincial revenue (see Update on the Provincial Budget oral report to Regional Council, April 25, 2019). Despite years of provincial underfunding, Peel Public Health has consistently made efforts to increase efficiencies and implement evidence-based and effective programs to answer to community needs. Potential reductions in the provincial allocations will impact programs that keep people out of hospitals and potentially place additional financial burdens on municipalities and their residents. A deficit of this magnitude would require program changes. The Association of Municipalities of Ontario has also advocated for “local say for local pay” to ensure that, as a funder, municipalities have appropriate mechanisms to influence priorities and policies.

4. **Key Considerations for a Strong Public Health Sector in Ontario**

To respond to local public health needs, a strong Ontario Public Health Sector should:

- **Maintain the distinct mandate of public health.** The core function of public health is to prevent disease and protect and promote health for the population. Increased integration with the health care system, while positive for some programs, could shift the mandate of public health away from disease prevention and health promotion. It is imperative that public health’s unique role is maintained, and that public health remains distinct from health care services in terms of both role and oversight. Public health should also retain the necessary independence to enable the Medical Officer of Health and Board of Health to respond quickly and effectively to public health crises.

- **Be well-funded to reduce the fiscal burden of disease.** Currently, public health funding is only about two per cent of total provincial health expenditures, and local municipalities have funded more than their mandated cost-shared allocation in order to respond to local public health needs. Lessons from crises such as the *E. coli* contamination of drinking water in Walkerton and the SARS outbreak are clear about the importance of public health investments and sustained human resources. Investments in preventive and health promoting population health interventions are also shown to reduce the economic burden of disease, often through health care system cost avoidance.¹ It is concerning that the province is considering further savings in the public health sector at a percentage that is very likely to impact programs and services.

- **Be responsive to local community needs and relationships (keeping the “local” in local public health).** A strong public health sector nurtures relationships with municipal governments and other local organizations to positively address local community needs. Public health partnerships are locally-based and extend beyond health care to include municipalities, school boards, police, and social services agencies. It is important to

¹ Canadian Public Health Association (2013). Public Health 1st The Ultimate Return on Investment.
maintain a local connection to identify local priorities and address population needs in collaboration with partners.

See Appendix II for further details on the essential components for a strong local public health sector.

RISK ASSESSMENT

A more specific risk assessment will be completed once further details are known.

FINANCIAL IMPLICATIONS

The proposed changes to the organization of public health units and their funding will have significant financial implications for the Region of Peel. Public health accountability agreements are likely to change from funding Region of Peel as an organization to allocating funding to new regional public health entities. Based on current information, the range of potential funding changes include a $5.5 million decrease to a $2.7 million increase annually based on the 2019 Council-approved budget which will be effective April 1, 2019. Should the province decrease Peel Public Health’s funding, options to manage the funding shortfall will be brought to Regional Council for consideration.

The province has not announced if they are prepared to assume the financial costs associated with Peel Public Health’s transition to a regional public health entity.

Financial implications of the provincial investment in a low-income seniors’ dental program will be reported to Council in a separate upcoming report once details are available.

CONCLUSION

The proposed changes to the public health sector included in the 2019 Ontario budget will have important implications for the Region of Peel. If implemented as proposed, structural and governance changes could change the role of Regional Council as the Board of Health. Furthermore, Peel Public Health will likely be part of a new governance structure as one of the ten new regional public health entities. Local municipal public health priorities and available programs and services could be impacted by the proposed changes.

Given limited details included in the provincial budget documents, it is anticipated that there will be some opportunity for consultation and input by local public health units, municipalities and communities. Careful consideration of local implications is necessary to maintain a robust public health sector that provides a population- and evidence-based approach to promote health, prevent illness and support a sustainable health system in Peel.

Nancy Polsinelli, Commissioner of Health Services
MODERNIZATION OF ONTARIO PUBLIC HEALTH UNITS IN THE 2019 ONTARIO BUDGET

Jessica Hopkins, MD MHSc CCFP FRCPC
Medical Officer of Health
Approved for Submission:

S. VanOfwegen, Acting Chief Administrative Officer

APPENDICES
Appendix I – Letter from the Chief Medical Officer of Health to Public Health Units
Appendix II – Keeping Peel Healthy, Safe & Connected: Essential Components For A Strong Local Public Health Sector Through Modernization

For further information regarding this report, please contact Jessica Hopkins, Medical Officer of Health.

Authored By: Inga Pedra, ext. 2677 and Fabio Cabarcas ext. 8363

Reviewed in workflow by:

Financial Support Unit
As you are aware, the Ontario government released its Budget on April 11, 2019. The government is taking a comprehensive approach to modernize Ontario’s health care system which includes a coordinated public health sector that is nimble, resilient, efficient, and responsible to the province’s evolving health needs and priorities.

While the broader health care system undergoes transformation, a clear opportunity has emerged for us to transform and strengthen the role of public health and its connectedness to communities. Modernizing and streamlining the role of public health units across the province will better coordinate access to health promotion and disease prevention programs at the local level, ensuring that Ontario’s families stay safe and healthy.

As you know well, public health is a uniquely placed sector that must evolve to better meet ever-changing community needs. To that end, the Ministry of Health and Long-Term Care (the “ministry”) has been working to define what a more resilient, modernized public health sector will look like, and also how it can contribute to the patient experience and better align to the new Ontario Health Agency, local Ontario Health teams, and the health system at large.

Notably, with respect to the public health sector, the ministry is proposing the following:

• Changing the cost-sharing arrangement with municipalities that would reflect an increased role for municipalities within a modernized public health system beginning 2019-20. The ministry will graduate the cost-sharing changes slowly over the next 3 years and will vary the final ratios by population size of the new Regional Public Health Entities. This is being done to recognize the variation across the province (i.e., geography, disbursement of populations, etc.). The cost-sharing changes, which will also apply to all 100% provincial programs funded by MOHLTC (except for the unorganized territories grant provided to northern public health units, and the new seniors dental program) are planned as follows:
Creating 10 Regional Public Health Entities, governed by autonomous boards of health, with strong municipal and provincial representation. Realigning the public health sector at a regional level provides for enhanced system capacity, consistent service delivery and greater coordination to support health system planning. The role of municipalities are core aspects of public health that the ministry wants to preserve in this new model and will do so by maintaining a local public health presence in communities.

- Modernizing Public Health Ontario to reflect changes in the health and public health landscape.

- Introducing a comprehensive, publicly-funded dental care program for low-income seniors. The program aims to prevent chronic disease, reduce infections, and improve quality of life, while reducing burden on the health care system.

It is important to note that the $200 million annual provincial savings target identified in the 2019 Ontario budget (by 2021-22) incorporates provincial savings related to the cost-sharing change, as well as savings from the proposed creation of 10 Regional Public Health Entities.

As mitigation, and to support boards of health experiencing challenges during transition, the Ministry of Health and Long-Term Care will consider providing one-time funding to help mitigate financial impacts on municipalities and consider exceptions or “waivers” for some aspects of the Ontario Public Health Standards on a board by board basis. Implementation of these exceptions will ensure that critical public health (health protection and health promotion) programs and services are maintained for the protection for the public’s health.

The proposed changes in both structure and cost-sharing are premised on the fact that essential public health program and service levels would be maintained and will remain local. The Ministry of Health and Long-Term Care will work with boards of health and public health units to manage any potential reductions in budgets, including encouraging public health units to look for administrative efficiencies rather than reductions to direct service delivery.

As a first step, we will be arranging calls with each of the Health Units over the next week to discuss the Annual Business Plan and Budget Submissions you have submitted, discuss the planned changes for this year and related mitigation opportunities, and ensure this next phase of planning supports your local needs and priorities.

As previously noted, there is a significant role for public health to play within the larger health care system and it will continue to be a valued partner. I look forward to your input and collaboration as we work to modernize the public health sector.

Thank you for your ongoing support as the ministry continues to build a modern, sustainable and integrated health care system that meets the needs of Ontarians.

Sincerely,

Original signed by

David C. Williams, MD, MHSc, FRCPC
Chief Medical Officer of Health

c: Business Administrators, Public Health Units
Executive Director, Association of Municipalities of Ontario
City Manager, City of Toronto
Executive Director, Association of Local Public Health Agencies
Keeping Peel Healthy, Safe & Connected:

Essential components for a strong local public health sector through modernization

Prepared by Peel Public Health
May 6, 2019
Table of Contents

Table of Contents .................................................................................................................................................. 2
Executive Summary .................................................................................................................................................... 3
Purpose ................................................................................................................................................................. 5
Background: Provincial modernization of the public health sector in Ontario ................................................. 5

Essential components for a strong local public health sector ............................................................................. 8

1. Maintaining public health’s unique upstream population health and disease prevention mandate ............... 8

2. Ensuring public health’s funding and human resources are sufficient to fulfill its unique mandate ............... 12

3. Keeping public health at the community level to best serve residents and lead strategic community partnerships .............................................................................................................................................. 17

Conclusion ............................................................................................................................................................. 19

References ............................................................................................................................................................. 20
Executive Summary

Public health services provide high returns on investment. We know, for example, that for every dollar invested in public health, communities receive an eight dollar return on investment through avoided health and social care costs.\(^1\) Despite this, public health only receives about two per cent of all provincial health care spending, though this amount will soon be reduced.

Specifically, the Provincial government recently announced plans to modernize the public health system by consolidating 35 public health units into ten new Regional Public Health Entities by 2020-2021. In addition, there will be a progressive reduction in the funding cost-share formula with municipalities bearing a greater portion of the costs. In Peel, this will mean shifting from a 75 per cent provincial and 25 per cent municipal share to 60 per cent provincial and 40 per cent municipal share by 2021-2022. Programs that were 100 per cent provincially-funded will change to a cost-share structure in 2019-2020, except for the new Provincial Low-Income Seniors’ Dental Program.

The scale of these proposed changes is unprecedented in Ontario. But lessons from our history show that when the public health system is weakened, serious consequences arise. After the Walkerton drinking water contamination in 2000 and the outbreak of Severe Acute Respiratory Syndrome (SARS) in 2003, every expert report highlighted the need for a strong and independent public health sector to protect the health and safety of the public.\(^2,\,3\)

In this paper, we propose that modernization preserve the following components, which are essential for a strong local public health sector:

1. Maintaining public health’s unique upstream population health and disease prevention mandate;

2. Ensuring public health’s funding and human resources are sufficient to fulfill its unique mandate; and

3. Keeping public health at the community level to best serve residents and lead strategic community partnerships.

The following summary illustrates how each element in a strong public health sector helps achieve our shared goal: healthy, productive and thriving communities.

1. **Maintaining public health’s unique upstream population health and disease prevention mandate**
   - Public health’s unique mandate is to keep people healthy, prevent disease and reduce health inequities.
   - We focus upstream – long before people need hospitals and health care. We collaborate with and complement other health care services to proactively reduce the impact of illness on “hallway medicine” and the acute care system.
   - To be successful leaders in prevention, we have five main tasks:
     - **population health assessment and surveillance** – understanding who is sick and why
2. Ensuring public health’s funding and human resources are sufficient to fulfill its unique mandate
   - Overall funding for local public health should be adequate to achieve the mandate and enable communities to thrive. Cost-sharing between the Province and municipalities should be achieved in a way that meets community needs and minimizes the burden on the local taxpayer.
   - The new Regional Public Health Entities should be empowered to identify the number, mix and distribution of human resources necessary to meet local health needs.

3. Keeping public health at the community level to best serve residents and lead strategic community partnerships
   - A strong public health sector is responsive to local health priorities through collaborative engagement with local municipalities, schools, health care professionals, community organizations and residents.
   - Peel has a unique set of health issues that require tailored community responses and coordination.
   - Local perspectives add value to provincial priority-setting and decision-making.

Local public health has a unique mandate not fulfilled by any other organization at the local level. Only public health focuses on upstream population-level approaches to prevent injuries and illnesses before they occur. When the Provincial consultation begins, we strongly recommend maintaining these essential components of a strong local public health sector, to enable the achievement of our shared goal of healthy and thriving communities.
Purpose
Peel Public Health has written this paper in response to recent provincial announcements regarding the modernization of Ontario’s public health sector. The scale of the proposed changes to the governance, organization, and funding of local public health organizations in Ontario is unprecedented. As the Province consults on implementation, we are proposing a way forward to support the Province’s goals of enhancing municipal engagement and better integrating with health care to support more efficient service delivery, while also preserving the essential components of a strong public health system in a new structure.

Public Health has three goals:
- improving and maintaining the health of the community;
- reducing health inequities; and
- preparing and responding to outbreaks and emergencies.$^4$

To achieve these goals, a strong public health sector in a new structure requires:

1. Maintaining public health’s unique upstream population health and disease prevention mandate;
2. Ensuring public health’s funding and human resources are sufficient to fulfill its unique mandate; and
3. Keeping public health at the community level to best serve residents and lead strategic community partnerships.

Lessons from history show that when the public health system is weakened, serious consequences arise. After the Walkerton E. coli contamination in 2000 and SARS outbreak in 2003, many expert reports highlighted the need for a strong and independent public health sector.$^2, 3$

Background: Provincial modernization of the public health sector in Ontario
In April 2019, as part of the provincial budget, the government announced significant changes to both the funding and structure of the public health sector in Ontario, by:

- Consolidating 35 public health units into 10 new Regional Public Health Entities, governed by autonomous boards of health with municipal and provincial representation.
- Achieving annual savings from public health units of $200 million by 2021-22.
- Adjusting the cost-sharing arrangements with municipalities, beginning April 1, 2019 to progressively increase the municipal portion. Municipalities in more populous regional public health entities will pay a greater portion. Most programs that have been previously 100 per cent provincially-funded will shift to cost-sharing.

Initial financial implications for Peel region are described in Figures 1 and 2. The 13 per cent unfunded portion is estimated to be $12.5 million dollars, assuming that the 100 per cent funding received by the Ministry of Children, Community and Social Services for the Healthy Babies Healthy Children program will continue.
Figure 1: Percentages of Peel Public Health Budgeted Funding for 2019 under Existing 75/25 Agreement
Note: Region of Peel budgets to meet community needs based on the Standards. Region of Peel has historically paid more than 25 per cent of public health costs to offset the underfunding from the Ministry of Health and Long-Term Care.

Figure 2: Percentages of Peel Public Health according to Proposed 60/40 percent Split by 2021
Note: This figure assumes the Region of Peel’s contribution remains at 2019 budgeted levels and does not account for 100 per cent funding for the low-income seniors’ dental program since this amount is unknown. Also, funding by the Ministry of Children, Community and Social Services for the Healthy Babies Healthy Children program is assumed to be maintained at its current 100 per cent level, but no information has been released by the program on whether this will be impacted.
To lessen the immediate impact of these changes, the Province is considering one-time funding to offset costs as well as potential exceptions, or “waivers”, from some aspects of the Ontario Public Health Standards. Such funding and exceptions would be considered on a board-by-board basis.

The Province has also committed to consulting with public health units and municipalities on the phased implementation of the proposed changes. Each of the following sections illustrates the vital elements of a strong local public health sector that will support the Province’s desired outcomes and ensure the public health needs of communities are met. These elements should be carried forward to a new structure.
Essential components for a strong local public health sector

1. Maintaining public health’s unique upstream population health and disease prevention mandate

What does this mean?

- Public health’s unique mandate is to keep people healthy, prevent disease and reduce health inequities.
- To be successful leaders in prevention, we have five main tasks:
  - population health assessment and surveillance – understanding who is sick and why
  - health promotion and policy development – creating supportive environments for healthy living by making the healthy choice the easy choice
  - health protection - identifying hazards to our health and how to stop or reduce their risk
  - disease prevention – delivering comprehensive disease prevention services by working directly with clients to prevent and treat some illnesses, and working with community organizations, municipalities and the Province to create healthy public policies
  - emergency management – planning for and leading the response to public health emergencies
- We focus upstream – long before people need hospitals and health care. We collaborate with and complement other health care services to proactively reduce the impact of illness on “hallway medicine” and the acute care system.
- The Medical Officer of Health and the Board of Health use evidence and data to act in the interest of the health and safety of the community. The Medical Officer of Health leads a group of multi-disciplinary public health professionals to ensure public health crises are addressed quickly and effectively, ensure the public is aware of how to prevent disease and enhance health, and provide expert advice to decision-makers.

Why is this important?

Local public health’s mandate is unique and considers everyone in the community, particularly those most vulnerable (e.g., children, frail seniors).

Public health uses a population health approach, which means reducing the factors that cause disease, injury and death in the community. While some actions should be taken across all communities, we also recognize that communities are diverse and the importance of building on strengths and reducing vulnerabilities in individual communities. Figure 3 provides examples of core public health activities that keep people healthy, productive, and out of the health care system.
Table 1. Core Public Health Functions with Examples

<table>
<thead>
<tr>
<th>Population health assessment and surveillance</th>
<th>Health promotion and policy development</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Health-related information to inform action.</td>
<td>• Promoting communities where being physically active is easier.</td>
</tr>
<tr>
<td>• Opioid overdose and death surveillance.</td>
<td>• Family supports to optimize children’s development.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Health protection</th>
<th>Disease prevention</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Public health inspections.</td>
<td>• Communicable disease and immunization services.</td>
</tr>
<tr>
<td>• Air quality monitoring to inform policy.</td>
<td>• Oral health clinics.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Emergency management</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Management of public health threats caused by severe weather, disease or other emergencies.</td>
</tr>
<tr>
<td>• Lead local response agency for the H1N1 influenza pandemic and SARS</td>
</tr>
</tbody>
</table>

Figure 3. Core Public Health Functions with Examples

While the success of prevention is largely invisible, the social and economic benefits are immense. When people avoid disease and injury, they are more likely to be productive and contribute to the economy. They require fewer hospital visits and rely less on health care throughout their lives. The loss in productivity due to communicable diseases.

$8.3 billion

• 2008 cost of communicable diseases in Canada
• Mostly from lost productivity due to illness

Public health prevents the spread of communicable disease

Figure 4. Public Health Helps Decrease Lost Productivity due to Communicable Diseases

APPENDIX II
MODERNIZATION OF ONTARIO PUBLIC HEALTH UNITS IN THE 2019 ONTARIO BUDGET
A strong public health sector keeps people out of overcrowded hospitals.

The goal of public health is to keep people healthy, long before they become patients in the health care system. Public health programs focus on reducing risks to all residents. This ultimately drives down health care costs and makes the health care system more sustainable.

To achieve health, both health care and public health are needed. Our roles are essential and complementary (Figure 5). To best achieve these goals, public health focuses on interventions with the greatest potential impact across a population. These are efforts to address the conditions where people live, work, play, grow and age to make healthy choices easier.7

No other entity is primarily focused on upstream efforts to prevent illness before it arises. Investment in preventive strategies is an essential component to reduce “hallway medicine” and other strains on acute health care services.

![Figure 5. How Public Health Complements Primary/Acute Care (Adapted from Health Impact Pyramid)](image-url)

A strong public health sector leads to multiple invisible benefits.

Some of public health’s key successes, such as safe food and water or the control of communicable, vaccine-preventable diseases, have paradoxically reduced its perceived value among voters and decision-makers, making it vulnerable to budget cuts and weakened governance structures.8 The average lifespan of Canadians has increased by almost 25 years since 1920, with public health advances being among the main reasons for improvement.9
Public health has a unique role in helping everyone have a fair chance to live a healthy life.

All Peel residents should have the opportunity to make healthy choices regardless of their income, education or ethnic background. It is known that the poorest people in Ontario are nearly twice as likely as the richest people to report multiple chronic conditions. This impacts municipalities through health service utilization, lower productivity, and other social costs.

Public health collaborates with municipalities and other stakeholders to decrease health inequities, in their communities. Health inequities are differences in health that groups of people experience because of unfair and modifiable social advantage or disadvantage.

Public health addresses health inequities through programs that benefit everyone and some that help those most in need. For instance, every mother who gives birth in Peel region will be screened for referral to the Healthy Babies, Healthy Children home visiting program. Mothers at highest risk for poor infant and maternal outcomes (e.g., postpartum depression, lack of social or financial support) are prioritized for at home support from a Public Health Nurse and/or Family Visitor.

In addition, we offer free services to all residents of Peel in our dental, breastfeeding and sexual health clinics, regardless of health insurance (OHIP) coverage or immigration status.

Weakening the roles of the Medical Officer of Health and Board of Health can compromise key parts of the public health sector and negatively impact the community.

- **Public health and safety.** The Medical Officer of Health and Board of Health must act quickly and effectively during public health crises. This includes the ability to rapidly deploy a skilled team of public health professionals to work with municipalities, health care, and others, and have the continuing legal authority to put the public’s health first.

- **Public trust.** All residents have the right to know about the health of the community and what can be done to improve it. As the doctor for the community, the Medical Officer of Health should never be prevented from being honest and transparent about the community’s health. Additionally, the Board of Health should have the ability to act on the independent advice provided by the Medical Officer of Health to ensure public health and safety.

In sum, local public health has a unique mandate not fulfilled by any other organization at the local level. It keeps people healthy and out of overcrowded hospitals. It has multiple invisible benefits, including a great return on investment. And it has a special role in helping everyone have a fair chance to live a healthy life.
2. **Ensuring public health’s funding and human resources are sufficient to fulfill its unique mandate**

Public health is delivered by people and is a responsibility of all levels of government. In Ontario, the obligation to pay for local public health rests with municipalities. However, Provincial policy has typically cost-shared public health funding.

**What does this mean?**

- Overall funding for local public health should be adequate to achieve the mandate and enable communities to thrive. Cost-sharing between the Province and municipalities should be achieved in a way that meets community needs and minimizes the burden on the local taxpayer.
- The new Regional Public Health Entities should have the capacity to identify the optimal number, mix and distribution of public health skills and workers to meet local health needs.

**Why is this important?**

Imagine you are raising a child. If you feed, clothe, and give the child a roof over their head, they will live. But to thrive, the child also needs social interaction, love, interesting experiences, and so much more.

Public health is in the business of helping community health to thrive. If public health funding is not increased or protected, and if human resource capacity is compromised, there will be important implications, such as:

- challenges meeting current and future community health needs
- inability to detect and respond to future public health emergencies
- difficulties delivering mandated public health programs and services
- needing to divert resources from some programs to others, or stop completely.

**The Province needs to ensure funding is sufficient to meet community health needs**

Provincial contributions to public health spending have fluctuated, as illustrated in Figure 6.11,12
The increase in provincial funding in 2005 was in response to the two public health emergencies – the outbreak in Walkerton in 2000 and the SARS epidemic in 2003. The purpose of the increased contribution was to enhance the capacity of the public health system, which had been weakened by reduced investment in public health in the years prior. The Province's intention was to reach the 75/25 funding split within three years, but this did not occur. For example, in 2011, only 17 of the 36 health units had reached the 75/25 funding split for mandatory programs. Peel has historically been underfunded by the Province to deliver on its mandate and meet community needs. In 2013, Peel Public Health was identified as having the lowest provincial per capita funding among public health units in Ontario. As Peel was historically under-funded compared to other health units, Peel benefited from a needs-adjusted funding model and saw an increase in mandatory program funding in 2016 and 2017. However, this funding model is no longer being implemented and the funding gap is now approximately $9.1 million, falling short of the provincial 75/25% cost-share commitment by approximately 12.6% in 2018. This has resulted in cost-sharing of 66 per cent provincial and 34 per cent Region of Peel based on the 2019 Council-approved budget (Figure 1).

Peel Public Health has already identified program efficiencies given the historical provincial underfunding.

The continued underfunding of Peel Public Health impacts our ability to meet the community's population health needs and the provincially legislated public health programs and services. As a result, Peel Public Health has historically taken several steps over the years to ensure public health programs and services are efficient, sustainable and meet the needs of Peel’s growing community (see Table 1).
Table 1: Examples of Peel Public Health Efforts to Use Efficiently Underfunded Resources to Meet Needs

| Oral Health Program                      | • To help prevent urgent dental needs, a targeted approach to prioritize oral health screening services in high-needs schools was developed.  
|                                          | • To achieve program delivery efficiencies, program investments through process reviews and enhancements were maximized.  
|                                          | • As a result, Regional funding for oral health programming was increased. |

| Vision Screening                        | • Universal vision screening is mandated by the Province but not funded.  
|                                          | • Given existing services (i.e., OHIP-covered eye exam by an optometrist), Peel Public Health will not proceed with vision screening, but will use existing resources to promote vision health and available screening services.  
|                                          | • Peel Public Health is also working with community partners, including school boards, to remove barriers to vision screening for vulnerable populations. |

| Flu Clinics                             | • Peel Public Health reduced the number of community flu immunization clinics.  
|                                          | • This was informed by the number of partners (e.g., pharmacists, primary care providers) delivering flu vaccines, ensuring appropriate vaccine coverage was maintained. |

| Healthy Babies Healthy Children Home Visiting Program | • To better identify families in need of our services, the screening tool was compared with assessment data.  
|                                                       | • This analysis led to new screening criteria, which increased the program’s ability to efficiently target families most at need. |

Investment in public health saves money and improves health.

The public health sector receives a small portion (about two per cent) of the provincial health care budget, yet it provides a high return on investment. Under proposed modernization plans, this already small portion of the provincial health care budget will be reduced even further over the next three years.

This is counterintuitive, given that public health programs offer such a high return on investment. For example, every dollar invested in public health programming, saves eight dollars of avoided health and social care costs. The return on investment, illustrated in Figure 7, is even more favorable for interventions that changed public policies such as limiting tobacco marketing or using infrastructure to make active transportation easier.
Some additional examples of the extent to which public health is good return on investment include:

- $1 invested in immunizing children saves $14 in health and social costs.\(^\text{14}\)
- $1 invested in heart disease prevention pays back $11 in health and social benefits.\(^\text{15}\)
- $1 invested for improved walkability pays back $2 in health benefits.\(^\text{16}\)

Public health investments are a key way to improve the “social determinants of health” within a population. As seen in Figure 8 below, the most important factors in health or illness are socially determined, such as income, early childhood experiences, education, and housing. In contrast, only 25 per cent of what influences our health is related to health care. Despite this, nearly all funding goes to the health care system. In fact, only about two per cent of health care funding goes to public health initiatives, even though these focus on improving the environment and social determinants of health in order to prevent illness and improve the overall health of the population.
The new Regional Public Health Entities should have the capacity to identify the optimal number, mix and distribution of public health skills and staff to meet local health needs.

One of the most important strengths of our public health system lies in its dedicated workforce. Public health expertise spans several health disciplines including nutritionists, nurses, health promoters, inspectors, epidemiologists, and many more. The distribution of public health expertise, resources and services should be tailored to meet current and future local needs and priorities.18

Reduced available funding would impact the critical mass of staff required to deliver quality programs and services and reduce our capacity to respond to public health emergencies or periods of increased need. In addition, the application of cost-cutting initiatives that limit staffing (e.g., hiring freezes) compromise efforts to attract and keep qualified individuals in the public health workforce.19
3. Keeping public health at the community level to best serve residents and lead strategic community partnerships

What does this mean?

- A strong public health sector is responsive to local health priorities through collaborative engagement with local municipalities, schools, health care professionals, community organizations and residents.
- Peel has a unique set of health issues that require tailored community responses and coordination.
- Local perspectives add value to provincial priority-setting and decision-making.

Why is this important?

Unique local public health issues in Peel

There are many health issues to consider locally, but here are four that demand attention:

1. Peel’s population is about 1.4 million, with growth projected at 19 per cent over the next 15 years.\textsuperscript{20} This translates to increased demand for public health services (e.g., immunizations, clinic visits, dental screening, and inspections).
2. In Peel, 52 per cent of the population are immigrants which is almost double the provincial proportion.\textsuperscript{21} Some are at higher risk of diabetes\textsuperscript{22} and travel-related diseases.\textsuperscript{23}
3. Peel has the second highest tuberculosis (TB) rate in the province.\textsuperscript{23} Active TB costs $47,000 to treat but, if the infection is detected early, disease can be prevented for only $1,000.\textsuperscript{24}
4. Peel’s rate of type 2 diabetes is higher than Ontario and continues to rise.\textsuperscript{22} Between 2013/2014 and 2023/2024, there will be over 100,000 new cases of diabetes in Peel, resulting in close to $700M in health care costs over that decade.\textsuperscript{25} This disease costs $80,000 per person over a lifetime.\textsuperscript{26, 27} With 63 per cent of our adult population being overweight or obese and 74 per cent considered physically inactive,\textsuperscript{28} rates of diabetes and other chronic diseases are expected to remain high or rise.

“Moving the needle” on complex health issues like these requires keen local insight, solid knowledge of health behaviour and illness prevention, combined with strong local partnerships.

Strategic local partnerships designed to prevent emergencies and disease

Public health emergencies, such as SARS and pandemic influenza H1N1, demonstrate that local investments are needed to ensure clear coordination among hospitals, health care providers, and government. Beyond emergencies, strong collaboration is essential to tackle complex health issues, such as diabetes.

An example of the latter is Peel’s work on the Brampton Healthy Community Initiative. This collaborative made our local infrastructure healthier by funding school-based water bottle filling stations as well as healthy eating campaigns in schools and faith-based centres.
Regional and municipal governments are critical partners as much of our health is determined by social factors such as housing, income, education, and employment. Public health makes the health connection to communities vulnerable to poverty and hazards in the environment. For example, public health’s air quality modelling program is used to proactively influence land use and transportation decisions.

In sum, engagement with municipal partners and community members improves the health outcomes of whole population groups, including those involved, and saves money. Public health governance is an opportunity to increase community involvement, reflect the diversity of residents and maintain local priorities.
Conclusion

Public health plays a distinct role protecting the health of residents. Only public health focuses on upstream population-level approaches to prevent injuries and illnesses before they occur. Investments in public health should be viewed as a cost-effective way to improve the sustainability of our health care system by relieving the strain on primary and acute care.

Investments in public health have proven to generate high returns on investment. We know, for example, that for every dollar invested in public health, communities benefit from a $8 return on investment.\(^1\) Despite this, public health receives just about two per cent of all provincial health care spending.

As the Ontario Government considers its approach to public health modernization, it is critical the core components of a strong public health system are maintained or strengthened. Positive public health outcomes require that:

1. Maintaining public health’s unique upstream population health and disease prevention mandate;
2. Ensuring public health’s funding and human resources are sufficient to fulfill its unique mandate; and
3. Keeping public health at the community level to best serve residents and lead strategic community partnerships.

Analyses of historical public health crises clearly show that, without these components in place, our communities are less protected and at higher risk for avoidable illness and death.
References

4. This mandate is covered under the Ontario Health Protection and Promotion Act, 1990 (i.e. “the Act”) and the Ontario Public Health Standards (i.e. “the Standards”) issued under the Act, among other regulations.
28 Canadian Community Health Survey Share File, Statistics Canada. Ontario Ministry of Health and Long Term Care.
Briefing Note

Title: Response to the Province’s Proposed Restructuring of Public Health and Emergency Medical Services, and Public Health Funding Reductions

Submitted By: Karen Redman, Chair, MARCO

Date: May 1, 2019

Recommendation:

That MARCO takes the following actions in response to the Province’s proposed restructuring of Public Health and Emergency Medical Services (EMS) and cost-sharing funding reductions for Public Health:

a) Advise the Premier of Ontario and the Minister of Health and Long-Term Care (MOHLTC) that MARCO supports the current fully-integrated approach to Public Health delivery in most MARCO municipalities;

b) Advise the Premier of Ontario and the Minister of MOHLTC that MARCO does NOT support the proposed restructuring of Public Health and Emergency Medical Services, and urge the Province of Ontario to re-consider these proposed changes;

c) Endorse the position of the Association of Local Public Health Agencies (aLPHA) which also opposes the proposed restructuring of Public Health; and

d) Advise the Premier of Ontario and the Minister of MOHLTC that any Provincial funding reductions to public health will have a significant negative impact on the health, safety and general well-being of the residents of Ontario. MARCO urges the Province to re-consider these proposed funding reductions;

e) Urge the Province to consult fully with affected municipalities, and organizations such as MARCO, AMO, aLPHA and the Association of Paramedic Chiefs before proceeding with any changes to the structure and funding of Public Health and Emergency Medical Services.
Background:

On April 11, 2019, Finance Minister Vic Fedeli delivered the 2019/20 Ontario Budget. Of significant relevance and impact to municipalities was the unexpected announcement that the Province of Ontario is planning to reduce the total number of Public Health boards from 35 to 10 new regional boards with one common governance model by 2020/21.

Subsequent to the 2019 Provincial Budget announcements, the Association of Municipalities of Ontario (AMO) was informed on April 15, 2019 that the Province of Ontario intends to reduce the number of paramedic services in Ontario from the current 59 to 10; no further details were provided.

On April 18, 2019, Ontario Boards of Health received a communication from the Minister of MOHLTC advising that there would be adjustments to the provincial-municipal cost-sharing formula for Public Health programs. This has the effect of reducing Provincial funding for Public Health and increasing the expectation for municipal funding.

Public Health Units serving most of the MARCO municipalities operate under the administration of a Regional or other municipal government structure. These municipalities have been, and continue to be well-served by the current integrated approach to public health delivery in these communities. There is no evidence to suggest that the proposed restructuring would improve public health delivery or population health in our communities. There are significant unanswered questions about the implications of the proposals and there are real risks for the disruption of public health service delivery in our municipalities if the proposed restructuring plans for Public Health units and EMS services are implemented.

Removing public health from the current integrated municipal structure locally has the potential to weaken the role of public health in our communities; to undo the good work that has been done; decrease municipal public support; weaken the ability of public health to be partners in municipal services, planning and programming; and, lower the profile of our public health programs and services locally.

Concerns and feedback regarding the proposed restructurings and funding reductions include the following:

- **There is demonstrated success in delivering public health services in Regional and Single-Tier Public Health Units.**
  In most MARCO municipalities, public health is fully integrated into the municipal government structure, where it collaborates with other programs including housing, social services, child care, crime prevention, water services, transportation and planning. In addition, Public Health receives cost effective support from the municipalities corporate areas including human resources, legal, finance, and information technology. Our Public Health units have benefited significantly from local political engagement, ownership and oversight.
• Creating large arm’s-length, unaccountable boards of health will weaken local engagement, create barriers between Public Health and other municipal functions, and weaken local accountability.

It appears likely that the proposed large, municipally unaccountable boards of health will have the ability to establish budgets and levy costs on their constituent municipalities, with very limited municipal input. This is likely to re-create the disputes that have arisen in some areas with other arm’s-length Boards such as Conservation Authorities. Debates about accountability, share of levy, size of levy, and board composition will consume time and energy, diverting the focus from pressing public health issues. Increasing the amount of property taxes levied by arm’s-length, Provincially-controlled and less accountable bodies weakens local democracy and accountability. If this move toward large unaccountable arm’s-length boards, with the power to levy costs on municipalities is repeated with EMS, it will further exacerbate the problems noted above.

• Separating public health units, which are currently part of the Municipal government structures may have unintended negative consequences related to governance, processes and collaboration, and will likely result in the dis-integration of Public Health from other municipal services.

In most of our municipalities, the municipal council is the Board of Health and is fully accountable and open with regular public meetings, rather than arm’s-length boards which attract little public scrutiny and are not given the profile which comes with regular committee and council reporting. Municipalities are best positioned to address the social determinants of health (income, housing, education, inclusion, etc.) – factors that weigh heavily on the overall health of a community and its members. For example, the contemporary challenges of obesity, inactivity (particularly in youth) and diabetes, for example, are well aligned with community planning, recreation and alternative transportation options – services delivered at the municipal level. Municipal support of sports venues and leagues, close alignment with local schools and surrounding neighborhoods, gives municipalities a major advantage in taking on the challenges of immunization. Provincial experience with large agencies has been fraught with challenge – witness recent examples of e-Health, ORANGE and, most recently, the shuffling of CCACs and LHINs. Municipal engagement is critical to the success of local public health. Loss of political ownership and activism will weaken the work of Public Health.

• Public Health funding reductions will weaken public health services, and will put people’s health at risk in our communities.

Public Health works diligently to prevent disease and illness and to promote health and well-being, often through upstream work to address social determinants of health. The services provided by Public Health help to keep our residents healthy and out of
the far more expensive health care system. Money invested into public health is money well-spent, with an excellent return on investment – and is critical to the Province’s stated goal of ending hallway medicine. In contrast, the planned cuts to public health are short-sighted and, over the long-term, are almost certain to result in higher overall health-care system costs.