

The Regional Municipality of York

Board of Health
June 20, 2019

Report of the Commissioner of Community and Health Services and Medical Officer of Health

Position and Mandate for a Restructured York Region Public Health

1. Recommendations

1. York Region Board of Health direct the Chair of the Board to send a letter to the Minister of Health and Long-Term Care, with copy to the Premier of Ontario, requesting that:
 - a. The geographic area of the restructured public health entity include only the existing geographic area of York Region.
 - b. The governance and operating model of the restructured public health entity maintain the integrated service model which currently exists for York Region Public Health, to continue leveraging of all municipal activities towards addressing the social determinants of health.
2. Until the Ministry of Health and Long Term Care makes its final decision on the geographic area, and governance and operating models for the new public health entity, York Region Board of Health authorize and direct the Medical Officer of Health to establish a team to engage with the Simcoe Muskoka District Health Unit on the proposed restructuring model proposed by the Ministry, guided by the following principles:
 - a. No significant service loss to York Region residents
 - b. No reduction in employment for front line positions, given that the population of York Region continues to grow
 - c. Protect current employees from job loss and maintain years of service as much as possible
 - d. Ensure that York Region tax levy funding remains in York Region to fund services in the Region
 - e. Do not exceed, on an annual basis, the total York Region tax levy funding currently contributed to deliver public health services, including both direct and indirect costs
3. York Region Board of Health authorize the Medical Officer of Health to request financial assistance from the Ministry of Health and Long-Term Care for planning and transition costs related to restructuring York Region Public Health.

4. York Region Board of Health authorize the Medical Officer of Health to retain management consulting resources as required, to advise on the structure and governance of the new public health entity.
5. This report be sent by the Regional Clerk to all nine local municipalities, York Region Members of Provincial Parliament, Canadian Union of Public Employees Local 905 (York Region Unit), Ontario Nurses Association Local 16, the Association of Municipalities of Ontario, the Association of Local Public Health Agencies, the Chief Medical Officer of Health of Ontario, the Ontario Health Agency and the other 34 Boards of Health.

2. Summary

This report provides an update to the York Region Board of Health on recent announcements from the Ministry of Health and Long-Term Care (the Ministry) regarding the modernization of Ontario's public health system and the creation of ten new regional public health unit entities by April 1, 2020.

Key Points:

- Changes to Ontario's public health system will require legislative changes, Ministry staff anticipate legislation will be in place this fall, and that there will be consultation with municipalities and independent boards of health
- One of the proposed ten new public health entities would be comprised of York Region Public Health and the Simcoe County portion of the Simcoe Muskoka District Health Unit
- The new public health entity would be a stand-alone, autonomous organization separate from York Region
- The Board of the new public health entity is proposed to be in place by April 1, 2020, York Region Council would no longer serve as the Board of Health and York Region would be required to fund the new entity based on proposed new cost share ratios
- Between April 2020 and April 2021, services are proposed to be transitioned into the new entity

This report recommends the Board of Health advise the Minister of Health on its position regarding the Ministry of Health and Long Term Care's proposal on the size, governance model and administrative model for the new health entity.

- The geographic area of the restructured public health entity should include only the existing geographic area of York Region as the Region's current population is large enough to justify its own health unit, and
- The governance and operating model of the restructured public health entity maintain the models that currently exist for York Region Public Health as the integrated model is effective in addressing the social determinants of health, ensures York Region tax

levy is used to benefit York Region residents, and leverages administrative efficiencies not available in an autonomous model.

Finally, as Ministry staff has requested input on the organizational structure of the new public health entities, this report recommends giving the Medical Officer of Health authorization and a mandate to work with the Simcoe-Muskoka District Health Unit to develop a mutual proposal for consideration by the Province. Given the short timelines, it is important to begin this work in advance of the final decision by the province on the geography, governance model and administrative model for the geographic area of York Region.

3. Background

The 2019 Provincial Budget announced sweeping organizational and governance changes to the public health sector

The province is restructuring the public health system in Ontario from 35 to 10 regional health units. The new entities are proposed to be stand-alone autonomous organizations.

To achieve these proposed changes, Ministry staffs anticipate legislation in fall 2019. As of April 1, 2020, the new public health entity will be in place. As part of the legislative process, the Ministry has indicated there will be consultation with municipalities and independent boards of health. The Ministry also indicated a willingness to receive input on administrative and organizational structures of the new entity.

The proposed geographic area of the public health entity will add an area close to three times the size of York Region

As of April 1, 2020, the new public health entity is proposed to consist of York Region Public Health and the Simcoe County portion of the Simcoe-Muskoka District Health Unit. The merger of Simcoe County with York Region would create the third largest new public health entity in terms of population (after Toronto and the entity that includes Peel/Halton Regions). Planning for York Region's large, diverse and growing population is already a significant undertaking and the size of our geography at present does present operational considerations in how we provide service.

According to the 2016 Census, Simcoe County's population was 520,123 and covers a geographic area of 4,859 square kilometres, nearly three times the size of York Region. On May 15, 2019, the Board of Health for Simcoe Muskoka District Health Unit wrote a letter to the Minister of Health and Long-Term Care advocating that the full territory of their health unit be merged with York Region. This would result in a geographic area of approximately 8,800 square kilometres and a population of 584,562 (2016 Census) (Attachment 1 – Map). This position has been endorsed by three additional health units (Sudbury and District; Timiskaming; and North Bay Parry Sound). The province intends to consult on the geographical boundaries, and they may change.

York Region Public Health, while understanding of the challenges faced by Simcoe Muskoka District Health unit, does not support the merger.

Public Health has a history of integration with York Region human services, maximizing the influence on the social determinants of health and healthy public policy

Public health has been a municipal program since 1833 when the Legislature of Upper Canada allowed local municipalities to establish boards of health. As a municipal service, it helps ensure healthy communities by working with and influencing municipal functions including urban planning, transportation planning, water and waste water, housing, child care, income supports and employment. Many of these supports have direct connections to the social determinants of health (i.e. all of those factors outside of health care services that influence how healthy a community is), demonstrating the many advantages to maintaining a direct municipal connection to public health.

Public health became a Regional function in 1978 and has been fully integrated into Regional strategic planning and operations ever since. Some successes from having public health integrated within Regional service delivery include the passing of the No-Smoking Bylaw, which was greatly facilitated by having a Board of Health that includes political leaders from the local municipalities, and quick access to Regional staff and assets to support public health during the emergencies of SARS in 2003 and H1N1 in 2009. The Region also benefits from the current integrated model. Public health has made significant contributions to healthy public policy including an opioid action plan, built environments that support health, and climate change action plans.

From a departmental level, in 2007 Public Health joined the Region's Community and Health Services Department (CHS), integrating the full range of human services under one leadership group. This has maximized Public Health's ability to address the social determinants through a much broader range of initiatives than it could do on its own through provincially mandated programs under the Ontario Public Health Standards. For example, the Region's Community Investment Fund has been leveraged by Public Health to address health service gaps in the Region such as food insecurity. Public Health and the Social Services Branch partnered to deliver a breast pump discretionary benefit program for people who rely upon Ontario Works income supports. In addition, York Region Public Health operations are more efficient because of the ability to access shared administrative supports within CHS, and access a wide range of specialized expertise from other Regional departments.

York Region Public Health has been recognized as a provincial leader in excellence, innovation and wellness

In June 2019, York Region Public Health applied to become the first public health unit in Ontario to be accredited at the Gold Level against Excellence Canada's stringent Excellence, Innovation and Wellness Standard. This nationally recognized standard scrutinizes the work, culture, deliverables and staff perspectives of working within the Branch. It addresses key

requirements in five specific drivers of: leadership, planning, customers, people and processes.

Prior to applying to be considered for this important distinction, all four public health divisions were successful at receiving Silver Level against the same Excellence, Innovation and Wellness standard.

Some of the past evidence applauded by the assessors from Excellence Canada built on numerous benefits that result from the integration of public health within the Region's structure, including:

- Positive and productive relationships across a range of departments and the local municipalities
- Innovative and effective service delivery
- Several regional guidelines and standards are in place to support compliance with relevant provincial regulations and standards, including human rights, privacy, health and safety, disability, accessibility, employment standards, etc.

Other public health units and organizations are reaching out to York Region Public Health to learn about our accreditation journey.

4. Analysis

Transition into a new public health entity may negatively impact public health services for York Region residents

Public health's integration into the municipal structure has provided more effective opportunities and influence on other municipal activities to improve the lives of York Region residents. The economies of scale and specialized expertise available to the Public Health Branch as part of a large, diverse and multi-service municipal government would be lost with a move to an autonomous board and expanded geographic area. These changes may cause programming to be less effective in addressing the social determinants of health and population health.

Further, York Region has historically provided additional funding beyond the minimum required for cost-sharing. This has enabled public health to address health service gaps to benefit its citizens and meet our local needs with proactive and responsive programs. It is uncertain that the same level of quality services would be affordable under the new model.

Finally, many administrative services are provided to public health through Regional programs including Integrated Business Services Branch (e.g., finance, IT support) and Corporate Services (e.g., human resources). When York Region Public Health is no longer a Regional function, the funding for these services will need to come from the approved public health entity budget. Based on current financial commitments for these costs, there will be service delivery implications if public health needs to use funding that has historically been used to deliver mandated public health programs and services.

There are differences in the populations of York Region and Simcoe County

Despite its close proximity to York Region, there are differences in social determinant of health status indicators between Simcoe County and York Region residents resulting in each health unit providing services in response to the local need of residents. Given the differences in local needs, delivery of services and programs will not be uniform across the proposed new geographic area that would include York Region. This in turn will affect the efficiency of service delivery. For example, there are regional differences in the number of public beaches and casinos that could impact public health service delivery. More specifically, casinos have a number of social and economic issues associated with them including increased alcohol consumption and smoking as well as considerations around gambling addictions and mental health concerns.

5. Financial

Investments in public health save money and improve health

The public health sector receives approximately two per cent of the overall provincial health care budget, yet it provides a high return on investment. Under the proposed modernization plans, this already small portion of the provincial health care budget will be reduced further over the next three years, with the province anticipating \$200 million in savings.

Examples of this return on investment include:

- Every \$1 invested into adding fluoride to drinking water, saves \$38 in dental care
- Every \$1 invested into tobacco prevention programs, saves \$20 in future health care costs
- Every \$1 spent on vaccinating children with the measles-mumps-rubella vaccine, saves \$16 in health care costs
- Every \$1 spent on early childhood health and development, saves up to \$9 in future spending on health, social and justice services
- Every \$1 spent on mental health and addictions, saves up to \$7 in health care costs and \$30 dollars in lost productivity and social costs

Changes to the number of public health units and their funding model are expected to produce future savings

The 2019 Provincial Budget indicated that modernizing public health units in Ontario would lead to future annual savings of approximately \$200 million by transitioning from 35 public health units to 10. On the May 9, 2019 teleconference, the Ministry outlined budgetary considerations that will impact the new public health entities moving forward.

First, the Province advised the cost share model is changing starting in 2019. Historically, public health has been funded 75 per cent by the Ministry and 25 per cent from Regional tax levy. Starting April 1, 2019, this will be changed to a 70/30 cost-share agreement. There was

no immediate impact to public health's 2019 budget based on this announcement as the Region has historically funded public health by greater than its 25 per cent minimum requirement and over 30% in 2018. This new cost share arrangement will continue until April 2021 when it changes to a 60/40 arrangement. Subsequently, the Premier announced that retroactive changes in funding would not be implemented in 2019. No further information has been provided by the Province

Second, public health units have been tasked with identifying a 10 per cent reduction in overall spending starting April 2020. The savings are being labelled as "administrative efficiencies" resulting from the reduction of health units and the change in the cost-sharing formula. Neither the 10 per cent estimated reduction nor how the savings are to be identified has been finalized. Any budget reductions to public health funding will have an impact on front-line service delivery that York Region residents rely on.

York Region will be required to continue funding public health programs under the new entity

When the new public health entities are established, public health will no longer be a Regional function. The Region will be required to continue to fund the new entity using tax levy funds allocated under the Regional Mandatory Tax Levy Cost Share. Currently York Region would not be able to deliver on the Ontario Public Health Standards if not for the additional funding the Region provides over and above the Mandatory Tax Levy Cost Share. The impact may be that services decline, or that the costs levied on the Region by the new entity will include funding that is discretionary today.

In addition, the separation of public health from the Region would have implementation costs. It is unclear who would be responsible for these costs. Ministry staff have advised York Region Public Health that additional financial support will be available to support eligible transition costs, such as voluntary attrition packages, severances, new entity transition start-up costs, IT migration and human resources. However, this funding is not guaranteed and specific details have not been announced by the Ministry as of the writing of this report.

York Region will need to engage in transition planning

The Ministry anticipates the actual merger of public health units into the new entities would occur starting April 2020 and extend into 2021/22. It is important that the Medical Officer of Health begin to engage in official discussions with other public health units regarding transition considerations. The Medical Officer of Health will also need to maintain open dialog with Ministry staff to obtain information on transition considerations. This report recommends that the Medical Officer of Health be authorized to request financial assistance from the Ministry of Health and Long-Term Care for planning and transition costs related to restructuring York Region Public Health. Staff will report back to Board of Health in the fall, 2019 as these transition details materialize.

In addition, the Medical Officer of Health has requested authorization to work collaboratively with Simcoe-Muskoka District Health Unit to develop a proposal to the Ministry. Staff would also request Ministry funding for these costs.

6. Local Impact

Separation of York Region Public Health from the Region may temporarily or permanently interrupt progress being made on addressing the Social Determinants of Health

Initial potential impacts include the following:

- Public Health would operate externally from the Region. Currently, York Region Public Health is integrated within the Regional corporate structure and operation. This has facilitated collaborative opportunities, such as the Seniors Strategy, Mental Health Initiative, Built Environments that support health, Outreach Van program, Community Hubs Initiative, the Food Systems Workgroup, the Social Determinants of Health Department Workgroup and the Human Services Planning Board. These collaborations benefit multiple clients and partners, and support a strategic and holistic approach to service planning and delivery. Public Health operating as a separate entity may impede collaborative opportunities going forward.
- Separation of Public Health would impact the Region's ability to align with the provincial direction for integrated human services, and its ability to implement a social determinants service delivery model in York Region. Research suggests that 50% of population health is determined by our social and economic environment (Canadian Medical Association 2013). Many of the social determinants of health are strongly influenced by the actions and decisions of Regional and local municipal governments (for example, water and sanitation, and housing).

7. Conclusion

The changes outlined in the 2019 Provincial Budget are the biggest public health has faced since its inception into the municipal context. Historically public health provides an effective connection between the community and health care system to prevent conditions and factors that increase demands on the acute care system. Public health prevents disease, protects and promotes health and helps ensure fewer people require the more expensive acute care. Public health works when you cannot see it, and it has been working in tandem with municipalities since for nearly 200 years.

Feedback and recommendations to the Ministry encouraging the maintenance of York Region Public Health's current geographic boundaries and governance structure are required. The letter to the Minister of Health and Long-Term Care advocates for this to protect public health programs and services in York Region that residents have come to rely on.

Administrative, geographic and governance-related changes will not have the same impact using an efficiency finding lens as they will in other public health jurisdictions in Ontario. York Region Public Health is operationally lean and well-positioned to continue to meet the mandate while ensuring excellent, evidence-informed programs and services to residents

when, where and how they need them. Transitioning York Region Public Health into a new entity would result in decreased service delivery that is less responsive to the needs of a growing diverse population.

For more information on this report, please contact Dr. Karim Kurji, Medical Officer of Health, at 1-877-464-9675 ext. 74012. Accessible formats or communication supports are available upon request.

Recommended by: **Dr. Karim Kurji**
Medical Officer of Health

Katherine Chislett
Commissioner of Community and Health Services

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

June 12, 2019
Attachment
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