

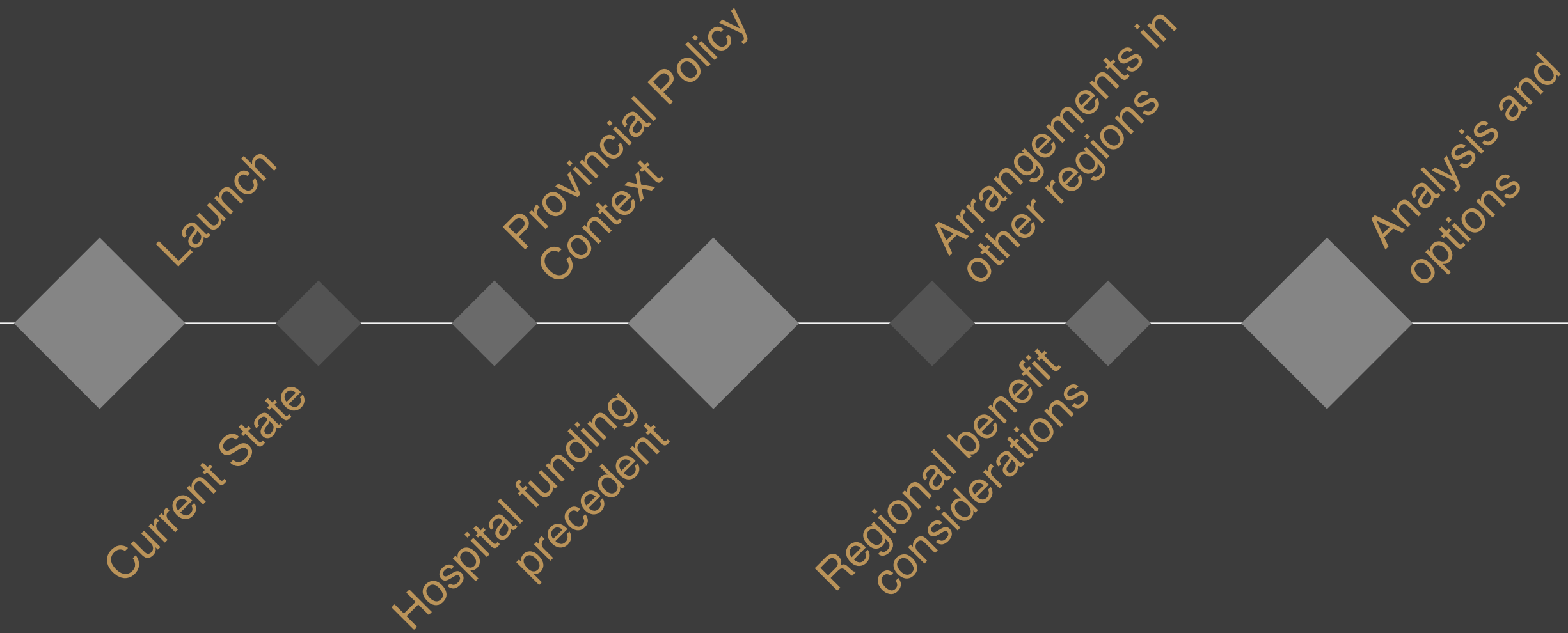
Niagara Region Hospital Funding Report

November 9, 2020



Corporate Services
Committee
Resolution
CSC-C 17-2020
(September 9)

1. Policy and set of principles consistent with previous funding commitments
2. Include potential combination of formulaic, fairness and governance approaches for regional contributions
3. Present for review at the November Corporate Services Committee meeting



Methodology

The above process was used to develop analysis and options for consideration by Niagara Region.

Proposed Guiding Principles

1. Fairness and equity across the twelve local municipalities in Niagara
2. Financial certainty and predictability for annual and long-term capital and operating budgets at Niagara Region
3. Demonstrated benefit for all Niagara residents
4. Alignment with Regional goals and priorities
5. Regional contribution as part of a community-wide effort

6 OPTIONS

For Consideration by Niagara Region

Option #1

Proportionate Share Model

- Consistent with the financial contribution from Niagara Region for the Niagara Health System (NHS) in 2007
- Funding would be a percentage of the total local share
- Past precedent suggests a range between 18 and 21 per cent

Option #2

Durham Model

- Based on Durham Region's Community Fund Investment Policy (2019)
- Consideration for funding requests that do not exceed 25 per cent of local share or 7.5 per cent of total project costs
- Project must have provincial approval and a minimum 70 per cent provincial funding commitment
- Specific policy parameters and clear expectations for applicants
- Annual allocations to a special contributions reserve of 0.4 to 0.6 of the annual levy

Option #3

Hospital MOU Model

- Based on the 2009 Memorandum of Understanding (MOU) between York Region and York hospitals
- Direct negotiation with hospital systems on total regional allocation (indexed annually) and distribution among hospitals
- Funding contributions tied to targets for Paramedic Services off-load delays

Option #4

Regional Benefit Model

- Two categories of regional benefit: broad economic and social benefits; and specific healthcare services and facilities
- Regional contributions scaled based on the benefits demonstrated by the requestor
- Example based on past funding allocation: up to 10 per cent of local share allocated for each of the two categories

Option #5

Limited Regional Participation Model

- Regional contributions limited to infrastructure and servicing costs
- No direct participation in funding the local share
- Note: this option is inconsistent with past funding precedent and relies on strong local fundraising capacity

Option #6

Hybrid Model

Combines features from previous options, including:

- Total available Regional funding contributions consistent with past precedent (between 18 and 21 per cent of local share)
- Regional contributions scaled according to evidence of regional benefit
- Policy sets allocations for hospital projects as part of the annual budgeting process
- Clear parameters for funding requests and clear expectations for requestors*



Thank You

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