

Niagara Region Hospital Funding Contribution Policy

Scoring Matrix – Long Form Explanation

FINAL
January 2021

Contents

Introduction	3
Guiding Principles	4
Part 1 – Mandatory Requirements	5
Part 2 – Economic Benefits	6
Part 3 – Community and Public Health Benefits	7
Part 4 – Direct Regional Healthcare Benefits	8
Part 5 – Indirect Regional Healthcare Benefits	9

Introduction

To ensure fairness and equity across Niagara's municipalities and provide financial certainty in municipal budgeting, Niagara Region has developed a policy to govern its future contributions to capital costs associated with new, expanded or redeveloped hospital facilities.

On November 19, 2020 Regional Council directed staff to proceed with developing a formal policy based on Option 6, Hybrid Model, as presented to Corporate Services Committee in a report on research and policy options on November 9, 2020. During the discussion, a maximum threshold of 18 per cent of local share for hospital projects was established for current and future funding requests.

The Hybrid Model selected by Niagara Region consists of the following features:

- The total maximum threshold for Regional contributions is consistent with a past precedent of 18 per cent of the local share of hospital projects.
- Regional contributions are subject to mandatory eligibility criteria.
- The Regional contributions are scaled according to demonstrated evidence of regional benefit, including economic benefits, community and public health benefits, direct regional healthcare benefits, and indirect regional healthcare benefits.
- To support current and future funding requests, Niagara Region shall set a separate annual allocation for hospital projects as part of the annual budgeting process.
- The policy and scoring matrix shall set parameters for funding requests and provide clear expectations to requestors.
- Niagara Region's contribution will be capped at percentage of local share as stated at the time of the request. Subsequent requests for funding increases will not be considered for higher than anticipated project costs or fundraising revenues.

This paper provides a long form explanation of the proposed scoring matrix. The scoring matrix is based on a scoring system of 100 points, with each point representing a percentage allocation to Niagara Region's maximum funding threshold.

Guiding Principles

The following guiding principles, approved by Corporate Services Committee on November 9, 2020 and ratified by Regional Council on November 19, 2020, govern Niagara Region's financial contributions to the local share of hospital projects:

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 Niagara Regional goals and priorities.
5. Regional contribution is a component of a larger community-wide effort.

1. Part 1 – Mandatory Requirements

Maximum Value:

35 points

Context:

The mandatory requirements listed below must be fulfilled in order to be considered for funding from Niagara Region. If all requirements are met, the project is eligible for base funding equal to 35 per cent of Niagara Region's maximum funding threshold. If the requestor does not fulfill all of the below mandatory requirements, the evaluation process will cease and the request will not be considered further until the requestor provides evidence necessary to fulfill mandatory requirements.

Mandatory Requirements:

- 1.1 The request must come from the organization directly responsible for project delivery.
- 1.2 The requestor must provide a detailed review of available financing and long-term financial implications, assessment of potential risks and analysis of potential funding alternatives.
- 1.3 The project must be approved by the Provincial government and supported with a minimum 70 per cent provincial funding commitment.
- 1.4 Community fundraising and revenue generation must exceed Niagara Region's contribution as part of the funding plan.
- 1.5 The project must be located within the municipal boundaries of Niagara Region.
- 1.6 The requestor and funding partners must agree to recognize regional contributions in all communications related to the project.

2. Part 2 – Economic Benefits

Maximum Value:

15 points allocated according to the below criteria.

Context:

New hospital construction, expansion and redevelopment within Niagara's boundaries has the potential to deliver broad economic benefits to Niagara. In particular, hospital projects can attract new jobs, retain existing jobs, attract business, investment and talent to the region and act as a catalyst for adjacent development.

These kinds of economic benefits align with Regional Council's strategic priorities related to business and economic growth and are part of delivering benefits to residents across Niagara.

Scoring Criteria:

- 2.1 Estimated number of short-term contract/ construction jobs that will be created as a result of the project (2 points maximum)
 - 2 points awarded if projection is greater than 100.
- 2.2 Estimated number of permanent, full-time jobs that will be created or retained as a result of the project (6 points maximum)
 - 2 points awarded if projection is greater than 50; or,
 - Additional 2 points awarded if projection is greater than 100; or,
 - Additional 2 points awarded if projection is greater than 200.
- 2.3 Demonstrated evidence that municipal plans are in place to leverage employment uses in surrounding lands (4 points maximum)
 - 4 points awarded if Council approved municipal land use and/or economic development plans are in place to leverage hospital project
- 2.4 Plans in place to create a Centre for Innovation (3 points maximum)
 - 3 points awarded if project is associated with Centre for Innovation, Life Sciences Cluster, or similar initiative to increase research and development activity and jobs, provide incubation space and commercialization programs, create public-private partnerships and create partnerships with academic institutions

3. Part 3 – Social Benefits: Improved Access and Inclusion

Maximum Value:

10 points allocated according to the below criteria.

Context:

New hospital projects may deliver broad social and public health benefits in Niagara. As such, Niagara Region may consider aligning funding with infrastructure, services and facilities that improve access and inclusion for all in Niagara. Supportive facilities and services related to childcare and age friendly construction help to improve access for all. Facilities that promote an inclusive environment, such as prayer and reflection facilities and all gender washroom facilities, help to improve inclusion in health care services. Funding may also be allocated based on ease of access to health care services through public transit or other forms of delivery that improve access to all.

Scoring Criteria:

- 3.1 On-site facilities and services are in place to improve access to health care and inclusion (8 points maximum)
 - 2 points awarded for evidence of commitment to on-site childcare services
 - 3 points awarded for evidence of commitment to age friendly design, including a dedicated emergency unit dedicated to seniors, geriatric specialty unit, consideration for families, and other age friendly considerations pertaining to parking, reduced glare, colours, rest areas, etc.
 - 3 points awarded for evidence of commitment to facilities that support diversity and inclusion, for example: prayer and reflection rooms and all gender washroom facilities
- 3.2 Project is located in a transit supported location (2 points maximum)
 - 2 points awarded if transit stop is located within 500m of facility, or there is written commitment from transit operator that transit stops will be in place prior to facility opening

4. Part 4 – Direct Regional Healthcare Benefits

Maximum Value:

20 points allocated according to the below criteria.

Context:

Depending on the project, hospital redevelopments and expansions could include specific services and facilities that serve an unmet need in Niagara and address Niagara's top health issues.

Projects will be deemed to have direct regional healthcare benefits if they provide net new services that address Niagara's top health issues. This is defined as projects that address the top five health conditions in Niagara that lead to healthcare interventions as reported by Niagara Public Health and/or net new services that address Niagara's top three Emergency Medical Services (EMS) transport issues. These health issues are provided below and will be updated as new data becomes available.

Criteria:

- 4.1 Project delivers net new services in one or more areas that address Niagara's top five health conditions and diseases that lead to healthcare interventions
 - 10 points awarded if project provides net new services that address one or more of the following: ischaemic heart disease; accidental falls; diabetes; cerebrovascular disease (stroke); lung, bronchus, trachea cancer¹
- 4.2 Project delivers net new services in one or more areas that address Niagara's top three EMS transport issues
 - 10 points awarded if project provides net new services that address one or more of the following: cardiac emergencies; severe trauma; neurological (stroke)²

¹ Based on most recent data (2019) – to be updated as new data becomes available.

² Based on most recent data (2020) – to be updated as new data becomes available.

5. Part 5 – Indirect Regional Healthcare Benefits

Maximum Value:

20 points allocated according to the below criteria.

Context:

Part 5 recognizes the integrated nature of health care services across Niagara. While there may not be usage data to demonstrate that residents from across Niagara will access a hospital directly, there may be indirect benefits, for example: reduction in average wait times across a region, reduction in off-load times, reduction in emergency visits and physician training.

Criteria:

- 5.1 Explanation of how the project contributes to the overall system of healthcare in Niagara
 - 14 points awarded for explanation within application and validation through written correspondence from Ontario Health Team (OHT)
- 5.2 Facility contains a Niagara-based health care training component in partnership with programs as Brock University, Niagara College and/or McMaster satellite campus
 - 3 points awarded for explanation within application and validation through written correspondence from Brock University, Niagara College, and/or Niagara-based McMaster satellite campus
- 5.3 Commitment from healthcare operator to patient offload delay targets
 - 3 points awarded if healthcare operator enters into a performance agreement with targets for patient offload delays