

Niagara Region Hospital Funding Contribution Policy and Scoring Matrix

January 14, 2021



Corporate Services
Committee
CSD 73-2020
(November 9)

That staff **BE DIRECTED** to develop a formal policy based on the hybrid option in Boulevard Strategy Group's "Niagara Region Hospital Funding Report."

Approved Guiding Principles (November 2020)

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.

Council's Preferred Approach “Hybrid Model”

1. Maximum funding threshold consistent with past precedent.
2. Regional contributions subject to mandatory eligibility criteria.
3. Regional contributions scaled according to regional benefit.
4. Separate annual budget allocation.
5. Clear parameters, clear expectations for requestors.
6. Regional contributions capped at funding amounts indicated at time of request (no escalations).

Niagara Region's Maximum Funding Threshold

Consistent with past precedent, analysis is based on a maximum Regional funding threshold of 18 per cent of local share.

Three Items for Consideration

WLMH Evaluation

3

- WLMH request evaluated based on scoring matrix

Scoring Matrix

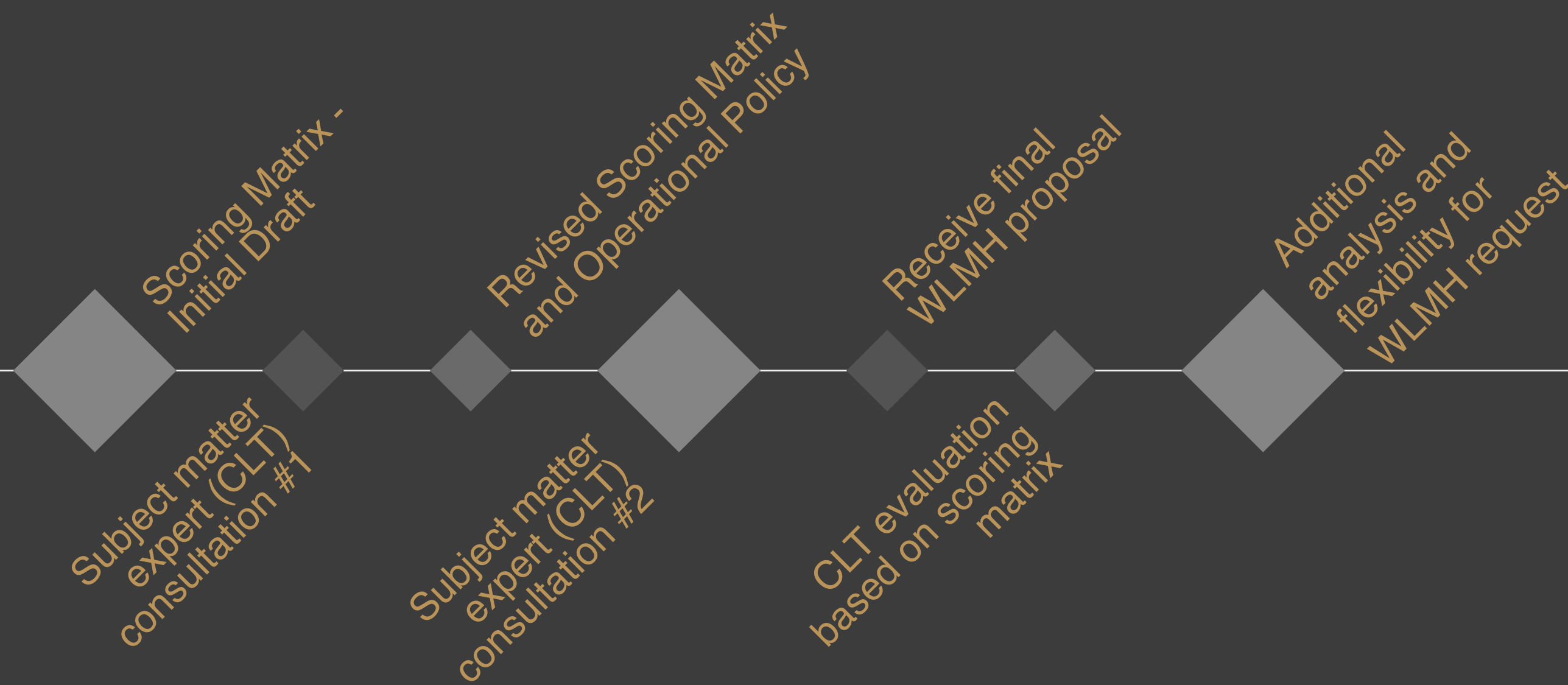
2

- Considers mandatory requirements
- Regional contribution scaled according to regional benefit
- Objective measures

Operational Policy

1

- Based on policy direction received November 2020



Methodology

The above process was undertaken between December 2020 and January 2021 to develop a policy and scoring matrix to evaluate current and future hospital funding requests. In addition to the above milestones, there were four official liaison meetings with the WLMH team during this time period.

OPERATIONAL POLICY

For Consideration by Niagara Region

Policy Overview

- Governs the allocation of Regional funding for hospital funding requests for capital construction, expansion, or redevelopment.
- Consistent with policy direction provided by Regional Council in November 2020.
- Includes mandatory requirements as well as consideration for Regional benefits.
- Consideration of requests occurs as part of Niagara Region's annual budget planning and approval process.
- Includes administrative process, including how requests are received, evaluated and approved.

PROPOSED SCORING MATRIX

For Consideration by Niagara Region

Scoring Matrix Overview

- Comprised of a point system out of a maximum score of 100.
- Final score out of 100 represents the percentage share of Niagara Region's maximum threshold. For example, a score of 50 will mean the request is eligible for a 50 per cent share of the maximum funding threshold.
- If a request fulfills mandatory requirements 35 points are awarded and request proceeds to assessment of regional benefits (Part 1).
- Regional benefit assessed based on economic benefits, social benefits, direct regional healthcare benefits and indirect regional healthcare benefits (Parts 2-5).

Part #1

Base Funding for Mandatory Requirements

35 points if all criteria are met;
prerequisite for further
evaluation

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

Part #2

Economic Benefits

15 points, allocated as follows:

- Short-term jobs > than 100 – 2 points
- Long-term jobs (permanent, full-time) created or sustained:
 - >50 = 2 points
 - >100 = 4 points
 - >200 = 6 points
- Evidence of municipal plans that leverage adjacent employment uses – 4 points
- Project associated with a Centre for Innovation – 3 points

Part #3

Social Benefits: Access and Inclusion

10 points, allocated as follows:

- Facilities and services to improve access and inclusion:
 - On-site childcare – 2 points
 - Age friendly design – 3 points
 - Facilities that promote inclusion – 3 points
- Transit-supported location (within 500m) – 2 points

Part #4

Direct Regional Health Care Services

20 points, allocated as follows:

- Project delivers net new services in one or more areas that address Niagara's top 5 health conditions and diseases that lead to healthcare interventions – 10 points
- Project delivers net new services in one or more areas that address Niagara's top 3 EMS transport issues – 10 points

Part #5

Indirect Regional Healthcare Benefits

20 points, allocated as follows:

- Explanation of how the project contributes to the overall system of healthcare in Niagara (must include validation through written correspondence from OHT) – 14 points
- Project includes Niagara-based health care teaching component (must include validation through written correspondence from Brock University, Niagara College and/or McMaster satellite campus) – 3 points
- Commitment to patient offload delay targets through performance agreement – 3 points

SCORING MATRIX: WLMH EVALUATION

Recommended Regional Contribution for
Budget Committee of the Whole Consideration

Evaluation Process

- Four liaison meetings with WLMH team between December 1, 2020 and January 14, 2021.
- Preliminary evaluation criteria communicated on December 21, 2020 and scoring matrix shared on January 8, 2021.
- Final package received from WLMH on January 11, 2021.
- CLT Evaluation Meeting on January 12, 2021 – initial score of 75 out of 100.
- Additional meeting with CAO and Corporate Services Commissioner on January 12, 2021 to assess the need for flexibility given circumstances and timelines – revised score of 84 out of 100.

WLMH Evaluation
Outcome:
Final Score is
84 out of 100

Part 1

Mandatory Requirements:

35 out of 35 points

Part 2

Economic Benefits:

12 out of 15 points

Part 3

Social Benefits:

7 out of 10 points

Part 4

Direct Regional Healthcare Benefits:

10 out of 20 points

Part 5

Indirect Regional Healthcare Benefits:

20 out of 20 points

Recommendation: Final Funding Contribution

Local Share of Project Funding

- \$60 million

Maximum Regional Funding Threshold

- 18 per cent of local share
- \$10.8 million

Recommended Regional Contribution

- 84 per cent of maximum threshold
- \$9.072 million



Thank You

Erin O'Hoski, Principal

erin@boulevardstrategy.com

www.boulevardstrategy.com

[linkedin.com/in/eohoski](https://www.linkedin.com/in/eohoski)