

Policy Category	Hospital Funding Contribution Policy
Financial	

Policy Owner	Commissioner, Corporate Services
Approval Body	Council
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1. Policy

To ensure fairness and equity across Niagara's municipalities and provide financial certainty in municipal budgeting, the Niagara Region Hospital Funding Contribution Policy provides a framework, process and criteria to govern Regional capital contributions to hospital facilities.¹

2. Purpose

The Niagara Region Hospital Funding Contribution Policy governs the allocation of Regional financial resources to hospital funding requests for the capital construction, expansion or redevelopment of hospital facilities within the municipal boundaries of Niagara Region.

3. Scope

This policy applies to health care systems seeking a financial contribution from Niagara Region for the local share of hospital capital construction costs, expansion costs or redevelopment costs for hospital projects within the municipal boundaries of Niagara Region. Consideration of hospital funding requests will occur as part of Niagara Region's annual budget planning and approval process.

4. Guiding Principles

¹ "Hospital" means any institution, building or other premises or place that is established for the purposes of the treatment of patients and that is approved under the *Public Hospitals Act, R.S.O. 1990, c. P.40* as a public hospital

<i>Policy Category</i>	<i>Hospital Funding Contribution Policy</i>
<i>Financial</i>	

This policy is based on the following guiding principles:

- 4.1. Fairness and equity across the twelve local municipalities in Niagara;
- 4.2. Financial certainty and predictability for annual and long-term capital and operating budgets at Niagara Region;
- 4.3. Demonstrated benefit for all Niagara residents;
- 4.4. Alignment with Niagara Region goals and priorities; and,
- 4.5. Regional contribution is a component of a larger community-wide effort.

5. Mandatory Requirements

Niagara Region will accept funding requests for capital hospital funding that meet the following mandatory requirements:

- 5.1. The request must come from the organization directly responsible for project delivery;
- 5.2. The project must be approved by the Provincial government and supported with a minimum 70 per cent provincial funding commitment;
- 5.3. Niagara Region's contribution shall not exceed 18 per cent of the total local share² of hospital projects where the local share does not exceed 30 per cent of the total project costs;
- 5.4. Within the maximum threshold of 18 per cent, Niagara Region's contribution will be scaled according to objective measures of regional benefit (see Hospital Funding Scoring Matrix, attached);

² "Local share" means the portion of the project that is not funded by the Provincial Government.

<i>Policy Category</i>	<i>Hospital Funding Contribution Policy</i>
<i>Financial</i>	

- 5.5. 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;
- 5.6. Community fundraising³ and revenue generation must exceed Niagara Region's contribution as part of the funding plan;
- 5.7. The project must be located within the municipal boundaries of Niagara Region;
- 5.8. 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; and,
- 5.9. Only requests for new projects that have not commenced will be considered. Regional contributions will not be provided on a retroactive basis for completed projects.

6. Regional Benefit

The Regional contribution will be scaled according to demonstrated evidence of regional benefit.

- 6.1. Funding requests that fulfill mandatory requirements will proceed to the evaluation stage based on a scoring system out of a maximum 100 points that will determine regional benefits associated with the project. Points will be allocated according to the following categories of regional benefit:
 - a) Mandatory Requirements – 35 points
 - b) Economic Benefits – 15 points
 - c) Social Benefits (Access and Inclusion) – 10 points
 - d) Direct Regional Healthcare Benefits – 20 points
 - e) Indirect Regional Healthcare Benefits – 20 points

³ "Community fundraising" means the share of funding that does not come from provincial or municipal sources (including both regional and local area municipal contributions).

<i>Policy Category</i>	<i>Hospital Funding Contribution Policy</i>
<i>Financial</i>	

Objective measures under each of these categories are included in the Hospital Funding Scoring Matrix, attached as Appendix 1.

- 6.2. The final score out of 100 will represent the percentage of Niagara Region's maximum funding threshold that will be recommended for the project. For example, a request that scores 50 will result in a funding recommendation equal to 50 percent of Niagara Region's maximum funding threshold.

7. Roles and Responsibilities

Applications shall be submitted to the Office of the Regional Clerk, who will forward the request to the Commissioner of Corporate Services. The Commissioner of Corporate Services or designate will validate that the application meets the mandatory criteria and include the request as an information item on the agenda of an upcoming Corporate Services Committee meeting.

Following notification of Corporate Services Committee and Council, the Commissioner of Corporate Services and Chief Administrative Officer will convene a meeting of the Corporate Leadership Team to review and evaluate the application based on the Hospital Funding Contribution Scoring Matrix (attached as Appendix 1). The Corporate Leadership Team, through the Commissioner of Corporate Services, may, at their discretion, contact the requestor during the evaluation process for the purposes of obtaining further information and clarification.

The Commissioner of Corporate Services will report the evaluation results to Corporate Services Committee and/or Budget Committee of the Whole seeking approval for the recommended Regional funding contribution. Council's decision will be reflected in the annual budgeting process as an allocation separate from the Region's operational budget requirements and will not be considered as part of the annual budget guidance directed by Council.

The Regional Clerk shall notify applicants of Council's decision. Following budget approval, the Commissioner of Corporate Services or designate will contact the applicant to prepare a contribution agreement.

8. References and Related Documents.

Hospital Funding Scoring Matrix (attached as Appendix 1)

Hospital Funding Scoring Matrix – Long Form Explanation (attached as Appendix 2)

<i>Policy Category</i>	<i>Hospital Funding Contribution Policy</i>
<i>Financial</i>	

8.1. Legislation, By-Laws and/or Directives

- **Public Hospitals Act, R.S.O. 1990, c. P.40**

Procedures

N/A

9. Related Policies

N/A

10. Document Control

The electronic version of this document is recognized as the only valid version.

Approval History

Approver(s)	Approved Date	Effective Date
Regional Council		

Revision History

Revision No.	Date	Summary of Change(s)	Changed by