

**Report to  
Rapport au:**

**Ottawa Board of Health  
Conseil de santé d'Ottawa  
16 September 2024 / 16 septembre 2024**

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**Submitted by  
Soumis par:**

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**Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE      File Number: ACS2024-OPH-BDS-0003**

**SUBJECT: 2025 Budget Planning and Considerations for Ottawa Public Health**

**OBJET: Planification et considérations budgétaires de 2025 pour Santé publique  
Ottawa**

## **REPORT RECOMMENDATIONS**

**That the Ottawa Board of Health receive the 2025 Budget Planning and  
Considerations for Ottawa Public Health report for information.**

## **RECOMMANDATIONS DU RAPPORT**

**Que le Conseil de santé d'Ottawa reçoive le rapport Planification budgétaire 2025  
et considérations pour Santé publique Ottawa à titre d'information.**

## **BACKGROUND**

Ottawa Public Health is currently developing its 2025 budget, having fully integrated its standalone COVID-19 operations into the cost-shared base-funded programs. This process is taking place ahead of the province's anticipated launch of a revised funding formula in 2026.

Over the past number of years, OPH received additional funding through an extraordinary funding process for one-time funding from the Ministry of Health to support COVID-19 programs and services. COVID-19 response activities are now incorporated into routine operations and the funding approach for delivery of respiratory-season-related immunizations has been adjusted. There remain ongoing growth pressures on many of OPH's core work mandated by the Ontario Ministry of Health, such as to address infectious disease and inspections, immunization coverage, healthy growth and development, an aging population with a growing burden of chronic disease and mental health and substance use health challenges. These pressures existed before COVID-19 and have continued to grow over time. The gap between need and available service has significant consequences for Ottawa residents, particularly people who are most disadvantaged.

Over the last two years, OPH has advanced efforts to maximize its budget to make a meaningful impact on public health through an integrated planning and re-imagine process. Despite the reinvestments and efficiencies found through this process, budget planning reveals a shortfall of adequate resources required to meet the volume and complexity of the service demand, making it challenging to fully meet provincially mandated public health standards and local needs.

In Aug 2023, the Ministry of Health announced its plan for Strengthening Public Health by recognizing the persistent challenges with ensuring that the public health sector has sufficient capacity, stability, and sustainability to deliver more equitable health outcomes for Ontarians. As part of addressing these challenges they are implementing a three-pronged strategy consisting of clarifying roles and responsibilities (via a revision of the Ontario Public Health Standards); voluntary mergers of some Local Public Health Agencies (LPHAs); and changes to funding, including restoring the provincial base funding to the levels under the 2020 cost-share formula, providing 1% growth base funding for 3 years from 2024 – 2026, and undertaking a review of the ministry's funding methodology for public health to support long term sustainability (anticipated to be communicated in Spring 2025 and implemented in 2026).

In July 2024, the Ministry of Children, Community, and Social Services increased the annual base funding for the Healthy Babies Healthy Children (HBHC) program by \$900,000. The Board of Health had expressed the need for greater support to this program. This funding boost will allow OPH to fill previously unbudgeted vacant positions, enhancing support for healthy growth and development activities that will reach more families in innovative ways.

In June 2023, the Government of Ontario announced the discontinuation of the wastewater surveillance program, which had been providing early warnings for incoming COVID-19 waves and, in Ottawa, a growing number of other infectious diseases, such as RSV and mpox. In response, OPH engaged in consultations with researchers, healthcare partners, and neighboring public health units to explore options to sustain wastewater surveillance.

This report focuses on providing an update on the previous and ongoing work that OPH has undertaken to address ongoing budget pressures and growth opportunities, within existing resources, as OPH heads into the upcoming 2025 budget cycle, before a new provincial funding formula is expected in 2026.

## **DISCUSSION**

### **Reimagined OPH in 2023**

On April 19, 2023, OPH transitioned to a new approach to service delivery and a new structure, based on lessons learned through the pandemic response, with significant community, employee, and Board input. These changes were the result of a comprehensive service review, known as the Integrated Transformation Project, which was launched in early 2022. The project aimed to advance and strengthen OPH's policies, systems, and processes for a post-pandemic future. The service review focused on three key areas: **Recharging** by prioritizing employee wellness to maintain a healthy workforce; **Restoring** essential services and programs while integrating COVID-19 response into regular operations; and **Reimagining** the future by identifying ways to enhance OPH's program delivery systems and processes. This process resulted in the reinvestment of permanent, base-funded positions to priority areas such as environmental health, climate change, inspections, infectious diseases, and emergency management. Additionally, permanent teams were established for new focus areas, including health equity, Neighborhood Health and Wellness Hubs, community engagement, and health system transformation and intersectoral policy work, such as on housing and health. These changes were communicated to all

employees in April 2023 and led to a reinvestment of over nine million dollars from OPH's base budget to advance strategic priorities that:

- Align with the evolving needs of the community;
- Integrate lessons learned from the pandemic response; and
- Improve performance and accountability to the over one million residents OPH serves.

OPH's service review process aligns with both provincial and municipal priorities to achieve efficiencies through careful management of expenditures and workforce resources.

### **OPH's participation in provincial funding formula review in 2024**

As part of the province-led funding formula review with key interest-holders, the Board of Health Chair shared the following recommendations with the Ministry of Health:

- **Equitable application of funding formula:** Ensure that the Ministry of Health contributes 75% of the cost-shared mandatory program budget consistently across all public health agencies.
- **Respond to inflationary costs:** The annual growth funding should match actual inflation leading to increased costs. The current 1% annual growth does not account for these factors, which have increased the demand for public health programs and services.
- **Address underfunding:** OPH has faced persistent underfunding issues. For example, our cost-shared budget shortfall was \$8.4 million in 2021 and has now risen to \$11.3 million; This consistent underfunding has challenged OPH's ability to respond to local needs, especially in the areas of safe food and water inspections, and the prevention and control of infectious diseases. We urge the Ministry of Health to address this issue.
- **Consider population growth:** Population growth should be a major consideration in the funding model, not only geography. Ottawa's population has grown 7% from 2019 to 2023 and is projected to continue to grow, adding 136,000 more residents by 2030. Additionally, OPH's population share of Ontario's overall population has grown from 6.3% (2016) to 7.2% (2021), which is a larger increase than 32 other PHUs across Ontario during that time.
- **Considerations for municipal involvement:** The role of municipalities in cost-sharing public health services remains crucial. It is important to maintain municipal engagement in both funding and implementation processes to ensure stable and predictable financial contributions. However, any new funding model must provide clarity and transparency to address existing funding disparities and support the unique needs of different public health units.

### **Engagement with the Board of Health to discuss budget priorities and pressures**

Ottawa Public Health (OPH) has been engaging with Board of Health (BOH) members to identify community priorities to help inform our 2025 budget and inform areas where budget growth will be needed. Through this process, OPH was reminded of the importance of being **Equity driven, Prevention focused, and Impact maximizing**.

Health equity was a major concern identified throughout conversations with Board members. The importance of OPH providing care to equity-deserving populations was underlined, both through direct service and through partnerships and collaboration to improve systems for health. Neighbourhood Health & Wellness Hubs (NHWH) were regularly cited as an example to continue and to strengthen to achieve this priority. The need to collaborate with health care providers and communities to achieve the priorities of the Black Health Plan was raised. Issues related to mental health and substance use were consistently flagged as major concerns, particularly for youth and newcomers. Collaborating with the City's Community and Social Services department to ensure that people have secure access to food and housing is crucial, as is taking a prevention approach to substance use. Considering the entire life-course was highlighted, as both the Health Babies, Healthy Children and services for older adult mental health and physical activity were raised. There was a specific focus on the need for expanded social and community connections.

Several BOH members raised concerns related to emergency preparedness and response. Some of the specific flags were around ensuring that OPH has the capability and capacity to respond to climate-related and infectious disease threats. Although both mitigation and adaptation interventions for climate change were discussed, recent events including community drownings, and an impending heat wave made salient the importance of OPH's role in promoting adaptation. Appreciation was expressed for OPH's work during the COVID-19 pandemic, and several BOH members commented that concerns about a future pandemic and ensuring OPH's ability to prepare and respond are on their minds. It was noted that while people directly affected by heat emergencies or infectious disease understand the importance of ensuring an adequate response, there will be work to do to increase awareness of actions needed by the general population.

### **Growth Pressures at OPH**

The workload associated with OPH's core mandated work has continued to grow over time. Of note, resources for safe food and water inspections, as presented to the Ottawa Board of Health in [April 2024](#) , have not kept pace with population growth

demands, while traditional inspection methods are proving more resource-intensive, leading to an increase in the complexity of the work.

The prevention and control of infectious diseases is also an area of pressure, which was described in a recent report to the Ottawa Board of Health in [June 2024](#). This report highlighted that in order to address the increase in the number and complexity of case management and follow-up of contacts for reportable infectious diseases, OPH adjusted staffing models and applied digital solutions to improve efficiencies where possible. Despite best efforts, current resources are not sufficient to sustain the work efforts needed to meet objectives set out in provincial protocols, which the OPH team is reviewing. Additionally, further strain is anticipated on the program as infectious disease rates are likely to continue to rise in 2024 and beyond.

The impacts of climate change have put more pressure on OPH's emergency management and healthy environment teams, to adapt to extreme weather events. This work includes working closely with various City of Ottawa departments and climate change partners on preventative mitigation strategies.

### **2025 budget planning and pressure analysis**

The leadership team at Ottawa Public Health has compiled data on budget pressures, focusing on sustaining services that meet core public health mandates, while also seeking growth opportunities to meet emerging community needs. This work seeks to address the persistent underfunding of vital programs and services, which is crucial for meeting the increasing public health needs of Ottawa residents.

The process of collecting budget pressure data included consultations with employees and Board of Health (BOH) members. OPH identified approximately \$11.6 million budget pressure to address the immediate (Fiscal Year 2025) needs and medium-term (Fiscal Year 2026-2027) growth opportunities. The immediate needs are approximately \$2.3 million which include the anticipated Cost-of-Living Adjustment (COLA) and an inflationary adjustment to sustain current service levels. The medium-term growth opportunities, (\$9.3M), encompass enhancing and expanding OPH programs, including health inspections, emergency preparedness and response, the neighborhood wellness hub as a community-based multi-sectoral service delivery model, modernizing OPH digital solutions, and improvements to physical workspaces.

The goal of growing OPH budget in the medium-term is not only driven by the growing demand for effective public health services from Ottawa residents, but also to continue to support the City Council's Strategic Priorities, which will build a healthier city. OPH is

continually advancing municipal partnerships, while engaging on most of the City's long-term plans and strategies, integrating a health, equity, and well-being lens into municipal policies and programs.

Specifically, the City's first strategic priority focuses on public health areas such as health equity, housing, health services, social services and food security. OPH is supporting the City to achieve its housing objectives through the Healthy@Home initiative, including seeking funding to better integrate health and social services within housing settings. OPH staff are also engaged in updating the 10-year Housing and Homelessness Plan.

There is alignment between the City of Ottawa's second strategic priority and Ottawa Public Health's strategy, with a focus on mobility and connectivity. OPH helps accelerate and increase the impact of the City's work in this area through our co-location agreement with the Planning, Real Estate and Economic Development department where public health staff bring forward data, research, and community voice to inform initiatives on road safety and active transportation.

OPH and the City are working together to create a healthier, green, and resilient city. OPH is co-located with the City's Climate Resiliency Unit. OPH is working together with city team members to complete comprehensive climate change health vulnerability assessments too identify strategies to prevent and mitigate health risks associated with climate change.

The City's fourth strategic priority of creating a diversified and prosperous economy is necessary to address socioeconomic factors of health.

A diversified and prosperous economy can lead to more employment opportunities, which can improve financial stability and reduce poverty. Employment is a key social determinant of health, as it provides income, a sense of identity and purpose, and opportunities for social interaction.

Even with holding on advancing growth opportunities, pending the provincial funding formula review, OPH anticipates a budget pressure of approximately \$2.3 million to maintain services in 2025. However, OPH expects to present a balanced budget by utilizing provincial base funding growth (1%), incorporating the provincial increase in HBHC base funding, reallocating costs (such as not contributing to an Information Technology reserve), and recognizing that the City of Ottawa will cover the cost of COLA in the 2025 budget.

### **Wastewater surveillance**

Wastewater surveillance (WWS) is an innovative tool that provides information for public health action. OPH uses the detection of infectious disease signals in wastewater that herald outbreaks and resurgences of various diseases. During the pandemic, increases in wastewater signals provided an early warning and allowed OPH, surrounding health units, and hospital partners to prepare ahead of increases in positive clinical samples and COVID-19 related hospitalizations. Beyond COVID-19, WWS informs OPH and partner's risk assessment related to other communicable diseases such as mpox, respiratory syncytial virus, and influenza. The advanced warning provided by WWS, for example 17-days in a 2022 out-of-season influenza outbreak in Ottawa, is useful to implement measures to reduce transmission and save lives.

In July 2024, the Government of Ontario ended its Wastewater Surveillance Initiative, while federal approaches continue. OPH has connected with the Public Health Agency of Canada to better understand opportunities for ongoing local WWS for Ottawa, however, pathways to maintain the current approach in Ottawa are not clear. Additional funds are needed to maintain WWS in Ottawa at a frequency that is sufficient to inform public health actions.

As a result, OPH has been working closely with partners and expects that there is an opportunity to cost-share the maintenance of some WWS in the region. The estimated annual cost of sustaining WWS is approximately \$50,000 to \$60,000 or less for the City of Ottawa. The Medical Officer of Health will consider a temporary reallocation of a portion of the 100% municipally funded 2025 budget, as is operationally possible, to support wastewater surveillance under her delegated authority.

This report informs the preparation of the 2025 OPH budget. Next steps include discussion at the Board of Health meeting in September and work with the Financial Services Unit to prepare a draft budget for the Board of Health for tabling in November, 2024.

## **RURAL IMPLICATIONS**

There are no rural implications associated with this report.

## **CONSULTATION**

The purpose of this report is administrative in nature and therefore no public consultation is required.

**LEGAL IMPLICATIONS**

There are no legal impediments to receiving the information in this report.

**RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

**FINANCIAL IMPLICATIONS**

Financial implications are as outlined in the report.

**ACCESSIBILITY IMPACTS**

There are no accessibility impacts associated with this report.

**SUPPORTING DOCUMENTATION**

None.

**DISPOSITION**

The report is provided for information.