



# Staff Report to Council - for Direction

**Title:** Health Care Funding Policy

**From:** Sam Dinsmore, Director of Corporate Services

**Date:** February 20, 2025

**Report Number:** CS-2025-004

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## Staff Recommendation:

That the Health Care Funding Policy be approved.

## Report Summary:

On October 5, 2023, the Corporate Services Committee passed a motion requesting that the Health Care funding be set at 0.5% of the levy annually and directed staff to present a Health Care Reserve Funding Policy for approval by Council.

The draft Health Care Reserve Funding policy is attached as requested.

## Background/Analysis:

On October 5, 2023, the Corporate Services Committee passed the following resolution:

That the funding of the Bruce County Health Care Reserve Fund be set at 0.5% of the levy annually, and;

That staff be directed to develop a Health Care Reserve Fund policy which identifies eligible criteria, timelines and standards for implementation as well as recommend any necessary updates to By-law-3710.

In the process of writing this policy staff completed an environmental scan looking at Bruce County lower-tiers as well as other upper-tier municipalities throughout the province.

### Bruce County Lower-Tiers

The lower-tiers have varying approaches to health care type funding requests. Some municipalities do not accept requests and others have formal policies in place with built-in annual budget transfers to specific reserves. The majority of the lower-tiers are currently taking a similar approach as the County does and handles the requests through the budget process as ad hoc requests.

### Other Upper-Tiers

The upper-tiers have a similar funding pattern as the Bruce County lower-tiers. Funding availability ranges from not accepting any requests to multi-million-dollar funding agreements. However, the majority are following more informal ad hoc request process through annual budgets, some having specific funding targets (such as 0.5% to 1% of the levy) while others fund the requests through the annual levy.

Included in some of the upper-tier's policies/program was the direction that all requests should come to the upper-tier. Although formal restrictions can't be made this approach is becoming best practice as it looking to streamline the funding request process and makes logical sense as most health care organizations have regional impacts and aren't confined to lower-tier municipal boundaries.

If Council proceeds with the policy as attached, staff recommend that this practice be adopted. Adopting this practice does not limit a lower-tier from accepting or inviting delegations from health care organization but does aim to consolidate all requests at the County level.

### Highlights from the Policy

- Health Care Providers include not-for-profit organizations that provides medical and health related services such as a hospital foundation, hospice or other organization providing health-related services.
- Only capital purchases will be funded, the County will not fund ongoing expenses.
- The County will have an annual contribution to the reserve fund equal to 0.5% of the previous year's levy. As an example, for 2025 the contribution would have been \$336,000.
- Health care organizations must be located in the County or where County residents represent at least 20% of patients served.
- Full application form and timeline to align with the County's annual budget.
- Annual reporting requirement to Council outlining current reserve fund balance, current commitments, five-year projection and any other appropriate recommendations.

### **Financial/Staffing/Legal/IT Considerations:**

Included in the 2025 budget is a \$150,000 transfer to the Health Care reserve fund which is currently dedicated to the Brightshores Health Services commitment if this transfer is sustained annually. This commitment is \$500,000 over five years ending in 2028.

To meet the 0.5% contribution goal the County would have to increase the transfer by \$186,000 which equates to a tax levy increase of 0.27%.

### **Interdepartmental Consultation:**

Lynn Hatten, Deputy Treasurer

Linda White, Clerk

**Link to Strategic Goals and Objectives:**

Community and Partnerships - Build a strong and inclusive community

Community and Partnerships - Enhance and grow partnerships

**Link to Departmental Plan Goals and Objectives, if any:**

**Departmental Approval:**

Sam Dinsmore, Director of Corporate Services

**Approved for Submission:**

Sean Morphy, Deputy Chief Administrative Officer

**Attachments:**

Attachment #1 Draft Health Care Funding Policy

Attachment #2 October 5, 2023, staff report titled Bruce County Health Care Reserve Fund

Attachment #3 Application Form