

Ministry of Health

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173-2020-65

Mr. Bill Hatanaka
Board Chair
Ontario Health
525 University Avenue, 5th floor
Toronto ON M5G 2L3

Dear Mr. Hatanaka:

Re: Ministry of Health – Ontario Health Accountability Agreement and 2020/21 Funding

Further to the interim accountability agreement executed on November 29, 2019, the Ministry of Health (the “Ministry”) has continued to work closely with you and Ontario Health’s leadership team on the transition of a transfer payment recipient into Ontario Health.

As of December 2, 2019, the first wave of legacy agencies was successfully transferred to Ontario Health along with their existing accountability documents. With another transfer scheduled to occur on April 1, 2020, it is important to once again ensure key accountability expectations related to Ontario Health’s operational, funding and health system performance are documented.

As with the first wave of transfers, the Ministry and Ontario Health agree that the existing accountability document (transfer payment agreement) between the Ministry and Ontario Telemedicine Network (“OTN”) is reflective of the operational, funding, and performance expectations that will be in place for Ontario Health as of April 1, 2020.

While the terms of the Ontario Health Accountability Agreement dated November 29, 2019 continue to apply, the Ontario Health Accountability Agreement is now amended to incorporate the following, effective April 1, 2020:

- The transfer payment agreement between Her Majesty the Queen in right of Ontario and the Ontario Telemedicine Network (“OTN”), effective April 1, 2012, and amended on April 1, 2019.

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Further, as of April 1, 2020, Ontario Health will be responsible for the management and oversight of funding agreements between Ontario Health and the electronic Child Health Network (“eCHN”) and OntarioMD (“OMD”). As such, Ontario Health will comply with the administrative accountability framework for the oversight of transfer payment activities set out in the Transfer Payment Accountability Directive (TPAD), and where applicable, will provide details on any Digital Health Transfer Payment made by Ontario Health to Transfer Payment Recipients including the name of project / program, phases or cost categories, legal name of the Transfer Payment Recipient and site location, funding schedule, and total amount. Further, Ontario Health will enter into Service Accountability Agreements between Ontario Health and eCHN and OMD effective April 1, 2020. For the interim period, the terms of the eHealth Ontario accountability agreement adopted by Ontario Health December 2, 2019 shall apply with respect to funding from the Ministry to Ontario Health to support these two transfer payments.

As of the effective date set-out above, Ontario Health will perform and observe, all obligations of the legacy agencies and the transfer payment recipient under the Ontario Health Accountability Agreement. Ontario Health will assume the reporting obligations of the legacy agencies and transfer payment agreements work with the Ministry to streamline and integrate the reporting as necessary for both parties. All reporting obligations of the legacy agencies will continue under the interim Ontario Health Accountability Agreement. Revised monthly reporting requirements may be included in the final integrated Ontario Health Accountability Agreement.

As previously agreed, the Ministry is responsible for setting the operating allocation for Ontario Health, and Ontario Health will spend the funds in accordance with the terms and conditions provided by the Ministry. During the term of this interim accountability agreement, without the prior written approval of the Ministry, Ontario Health will not reallocate any funding from (i) its operating allocation; (ii) any allocation included in the agreements listed above; and iii) any allocation between transfer payments lines.

2020-21 Funding: At this time, the Ministry is confirming that 2019-20 base funding allocations for Cancer Care Ontario, Health Quality Ontario, HealthForceOntario Marketing and Recruitment Agency and Health Shared Services Ontario will continue as the interim allocations for Ontario Health for the 2020-21 fiscal year. Appendix 1 attached to this letter, sets-out the interim base and one-time allocations specific to Digital Health: Ontario Health Digital Services (i.e. the former eHealth Ontario), which includes funding for the two Digital Health transfer payments (i.e., eCHN, OMD); and OTN.

The 2020-21 one-time allocation specific to OTN will also include additional funding to enable the delivery of virtual health care services in support of the Ministry’s response to COVID-19.

The Ministry is committed to working with Ontario Health to finalize the annual business planning process for 2020-2021; a core component of this process will involve adjusting and finalizing the Agency’s funding allocation for 2020-2021.

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Ontario Health must post this letter and above referenced agreements on its website, per section 19(5) of the CCA.

The OH Accountability Agreement is an interim agreement. Both the Ministry and Ontario Health are committed to working together to develop a new integrated accountability agreement between the Ministry and Ontario Health that is reflective of Ontario Health's ongoing accountabilities and operations.

Thank you for your continued leadership and contributions to supporting a smooth transition of the legacy agencies into Ontario Health.

Sincerely,

Christine Elliott
Deputy Premier and Minister of Health

Enclosure

c: Mr. Matthew Anderson, President and Chief Executive Officer, Ontario Health
Ms. Helen Angus, Deputy Minister, Ministry of Health
Ms. Melanie Fraser, Associate Deputy Minister, Health Services, Ministry of Health
Mr. Sean Court, Assistant Deputy Minister, Health Transformation Division, Ministry of Health
Mr. Greg Hein, Assistant Deputy Minister, Digital Health Division, Ministry of Health

Mr. Bill Hatanaka

Please indicate your agreement with the terms of this letter by signing two copies of the letter and returning one signed copy by March 29, 2020 to:

Sean Court
Assistant Deputy Minister
Health Transformation Division
Ministry of Health
777 Bay Street, 7th Floor, Suit 702
Toronto Ontario M5G 2C8

Ontario Health agrees to the terms of this letter.

Mr. Bill Hatanaka
Board Chair, Ontario Health

Date

APPENDIX 1

ONTARIO HEALTH – FUNDING ALLOCATION: 2020-21 (INTERIM)

Business Unit / Transfer Payment Recipient	2019-20 Approved Funding		2020-21 Interim Funding ¹	
	Base	One-Time	Base	One-Time
eHO – Capital		Up to \$26,715,100		Up to \$26,715,100
eHO – Operating		Up to \$206,950,900 ²		Up to \$206,950,900
OH-managed service accountability agreements (as of April 1, 2020)				
eCHN	Up to \$6,320,000			Up to \$5,050,000 ³
OMD		Up to \$22,520,000		Up to \$24,000,000 ⁴
Agencies and transfer payment recipients transferred on April 1, 2020				
OTN	Up to \$22,275,000	Up to \$10,302,700	Up to \$22,275,000	Up to \$10,302,700 ^{5,6}

Notes

1. The Ministry and Ontario Health agree that the funding provided through the interim accountability agreement is subject to the terms and conditions (e.g. performance requirements) of the most current applicable agreements. Additionally, the Ministry and Ontario Health agree that the ongoing provision of this funding will be subject to the terms and conditions of the integrated accountability agreement and is thus subject to change.
2. The amount noted includes \$7.08M provided in 2019-20 for the fiscal year 2017-18 operating settlement.
3. The transfer payment agreement that established base funding for eCHN is being terminated as of March 31, 2020. Funding for 2020-21 has been identified as one-time while OH and eCHN continue to develop the 2020-21 service accountability agreement effective April 1, 2020 for up to \$5.05M.
4. The transfer payment agreement that established one-time funding for OMD is expiring as of March 31, 2020. Funding for 2020-21 has been identified as one-time while OH and OMD continue to develop the 2020-21 service accountability agreement effective April 1, 2020 for up to \$24.0M
5. This includes \$5M endorsed by the Ministry's Command Table on March 16, 2020 to enable the delivery of virtual health care services in support of the Ministry's response to COVID-19. The Ministry will ensure that the \$5M to be provided is in addition to the planned 2020-21 funding amounts for OTN, which will be confirmed as part of the discussions between the Ministry and agency to finalize the agency's 2020-21 budget.
6. Funding for the Telestroke and Enhanced Access to Primary Care programs (\$365,000 and \$714,396, respectively) were part of OTN's 2019-20 transfer payment agreement, however, they are amounts that were provided directly to physicians which is something OH can't do directly. The Ministry is therefore, re-directing the amounts to The Ottawa Hospital (TOH) through an eServices program transfer payment agreement in 2020-21 to manage instead.