Date: October 4, 2006

Re: PHRED Update PH06002a (City Wide)

Council Direction:
Not Applicable

Information:
For nearly two decades, City of Hamilton Public Health Services (PHS) and its predecessor departments have had links with McMaster University and the University of Guelph, along with other academic institutions. These links enable the department to benefit from expertise in program design and evaluation, while building an evidence base for local public health practice.

In large part, these relationships have been funded and delivered through a provincial/municipal cost-shared program called PHRED – Public Health Research Education and Development. Health units (HU) in Sudbury, Ottawa, London and Kingston also support PHRED programs.

Information Report PH06002 was provided to the Board at its February 13 meeting and outlined the changing landscape and funding approach to PHRED. To sum up, the MOHLTC has declined to fund PHRED on a 75:25% cost-shared basis for 2007 but is willing to maintain a 50:50 cost sharing. For 2006, the approved PHRED budget of 1,035,730 was based on a 65:35 cost share with the MOHLTC. This report is a follow-up to Report PH06002 outlining how PHS has dealt with the shortfall.

Closing the 2006 Gap

The MOHLTC’s decision to remove PHRED funding from a 65:35 cost sharing was made after submission of the 2006 budget to Council. The resulting shortfall amounted to $310,719, leaving an effective budget of $725,011.
$1,035,730: Approved Budget
$ 362,506: 2006 Levy (assuming 35%)
$ 362,506: MOHLTC grant (under 50:50 cost sharing)
$ 725,011: Effective Budget

The bulk of PHRED’s program is delivered through partnership agreements with McMaster University’s School of Nursing, the McMaster Institute of Environmental Health, and the University of Guelph. These obligated amounts total approximately $675,000. In addition, funds are provided for the Effective Public Health Practice Project, which is based in the Dundas office of PHS. The budget for this project is $23,200. Finally, library staff and subscriptions are within the PHRED funding envelope and total approximately $200,000. All other PHRED-funded activities have been eliminated to close the budget shortfall.

$ 898,200: Contractual Obligations & Library Staff
$ 724,500: PHRED Budget
$ 173,500: Shortfall

This shortfall has been covered through a combination of measures, as follows:
$ 100,000: Revenue in excess of expenses for MOHLTC-funded project (National Collaborating Centre Environmental Scan)
$ 20,000: Savings from optimization of library subscription costs
$ 53,500: Gapping (from 2006 enhancement positions)

Going Forward: 2007 and Beyond

While the fate of the proposed Agency is unclear, signals from the MOHLTC all point to their intention to shift from PHRED funding as a relatively unrestricted grant to using that funding to develop requests for proposals (RFP) or other competitive approaches to allocation, similar to those used by the research funding councils.

Given this uncertainty and the MOHLTC’s continued treatment of PHRED as a 50:50 cost-shared program, the budget for 2007 is proposed to total $746,000, comprising the 2006 levy amount increased by 3% and doubled to reflect MOHLTC cost-sharing.

In order to meet this target, library services will be brought forward as an enhancement to be placed in the 75:25 cost-shared portion of PHS’ budget. These resources for knowledge management and staff development are consistent with the increasing emphasis on core competencies in public health. The agreement with the McMaster Institute of Environmental Health (MIEH), deemed to be working well by both partners, will continue with the possibility of augmentation to include a summer student program. The current agreement with Guelph for services will be terminated, effective April 30, 2007, and we are working with Guelph to identify an alternative with value to both parties. Discussions are underway with the McMaster School of Nursing to rebalance
the partnership with the School of Nursing to focus on deliverables relevant to public health practice and the development of a research network to support that practice. Pending the outcome of those discussions, a more detailed breakdown of the proposed 2007 budget will be available.

The Medical Officers of Health of the 5 PHRED HU are currently discussing how to facilitate more effective collaboration to spur the development of research nodes – clusters of practitioners and researchers focused on areas of relevance to public health practice that would receive PHRED funding. With the proposed changes in the Hamilton PHRED, we have already committed to this new direction and will proceed in that way regardless of the participation of the other PHRED HUs. This strategy will deliver more value for the PHRED investment, position the PHRED activities firmly in the support of public health practice, both locally and on a wider scale, and by nurturing networks, prepare for success in the likely future of increasingly competitive approaches to research and PHRED funding.

Elizabeth Richardson, MD, MHSc, FRCPC
Medical Officer of Health
Public Health Services