HEALTH INFRASTRUCTURE RENEWAL FUND GUIDELINES FOR 2023-2024

Ministry of Health

Ontario

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Key Updates for the 2023-24 Health Infrastructure Renewal Fund

The key changes to the Health Infrastructure Renewal Fund (HIRF) that hospitals and Ontario Health need to be aware for 2023-24 are below (see a full description of the two-year phasing of HIRF Program changes in Appendix G):

2022-23 HIRF	2023-24 HIRF
• Funding letters released in Fall.	• Ministry will work to release funding letters in June.
• Hospitals can submit an unlimited number of Exceptional Circumstance Project (ECP) Grant business cases.	• A **limit of 3** Exceptional Circumstance Project (ECP) Grant business cases per year per hospital corporation is now in effect.
• Hospitals submit OH-endorsed Exceptional Circumstance Project (ECP) Grant business cases in March/April.	• Deadline for Exceptional Circumstance Project (ECP) Grant business cases to be moved up to October. In this transition year of HIRF program changes, there will be 2 submission timelines: • 2023-24 ECP Grant business cases will be submitted on **April 14, 2023**; • 2024-25 ECP Grant business cases will be submitted on **October 27, 2023**.
• Hospitals submit Interim Reporting and Surplus Funds Requests in November.	• Deadline for Interim Reporting and Surplus Funds Requests will be moved up to **October 13, 2023.**
• The submission to add projects to Schedule A is called the Exceptional Circumstance Project (ECP) Business Case.	• This submission is now renamed Additional Schedule 'A' Project (ASP) Request. Deadline remains in mid-February, as in previous years.
• FCAP data review and approval in January.	• Deadline for FCAP data review and approval moved up to **December 15, 2023.**

Key Deadlines

ITEM	DEADLINE
Exceptional Circumstance Project Grants Business Cases for 2023-24 (OH endorsed) Due	April 14, 2023
NEW DATE Interim Report Due	October 13, 2023
NEW DATE Surplus Funds Requests (OH endorsed) Submitted	October 13, 2023
NEW DATE Exceptional Circumstance Project Grants Business Cases for 2024-25 Due	October 27, 2023
NEW DATE Hospital deadline to review and approve any changes to FCAP data to inform 2024-25 HIRF allocations	December 15, 2023
Additional Schedule 'A' Project Requests (OH Endorsed) Due	February 15, 2024
All 2023-24 HIRF funding must be expensed[1]	March 31, 2024
Settlement Report Due	June 30, 2024
All completed HIRF projects are closed in Facility Condition Assessment Program (FCAP) database	June 30, 2024

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[1] No carry-over funds will be permitted from 2023-24 to 2024-25

1. Introduction

The Health Infrastructure Renewal Fund (HIRF) Guidelines are intended to provide an overview of the program purpose and processes for the 2023-24 funding year. Hospitals must also read and be familiar with the terms and conditions of the HIRF Agreements in their entirety in order to fully meet all program reporting and spending requirements.

2. HIRF Overview

Hospitals are responsible for planning infrastructure renewal activities to ensure that their facilities are in a good state of repair. Recognizing the need for the renewal of health care infrastructure, the Ministry of Health ("the ministry") created the HIRF program. This program is intended to supplement a hospital's existing renewal program and to help address renewal needs on a priority basis.

The HIRF is aligned with the results of the ministry's Facility Condition Assessment Program (FCAP). As a result, annual HIRF allocations are determined using an evidence-based process. However, Ontario Health (OH) will have the opportunity to endorse urgent/emergent hospital infrastructure needs for an Exceptional Circumstance Project (ECP) Grant, which may result in the ministry providing additional funding to a hospital whether or not the hospital received a HIRF allocation that funding year. The ECP Grant process is described later in this document.

Hospitals must use the HIRF allocation provided in the 2023-24 funding year towards eligible HIRF projects during the 2023-24 fiscal year. Hospitals must expense the full grant and are not permitted to carry unspent funds or deficits forward to subsequent funding years. Although the ministry has granted carry-over of funds on a temporary basis for the last three fiscal years, all hospitals should be aware that such flexibility will not be offered in 2023-24 and should plan accordingly to either use the funds or identify them for reallocation in the Interim Reporting.

On **October 13, 2023**, hospitals are required to self-report their funding progress, and the ministry will assess provincial underspending and overspending. After confirming underspending with Hospitals, the ministry may reallocate unspent funds to hospitals with overspending based on the Surplus Funds Requests received. The Surplus Funds Request process is described later in this document.

Any unspent funds at Project Settlement will be recovered in accordance with the terms of the HIRF Agreement. Significant or recurring underspending of HIRF funds may result in ministry review of future year funding.

3. HIRF Program Stages

The following section outlines the main elements and sequence of actions in the HIRF funding program cycle. Additional detailed information on HIRF eligibility and specific steps in the HIRF process are provided in following sections.

3.1 Requirement List Created through the Facility Condition Assessment Program (FCAP)

- As noted above, HIRF program funding is aligned with the results of the ministry's Facility Condition Assessment Program (FCAP). The ministry's third-party vendor conducts a condition assessment of all eligible hospital Assets through the FCAP.

- Based on the FCAP assessment, a Facility Condition Index ("FCI") score is assigned to each of the Assets of each hospital. (See Appendix "A": "Facility Condition Assessment Program (FCAP)" and Appendix "B": "Facility Condition Index".)

- The ministry runs a Requirement Report in December to determine the annual HIRF allocation for all public hospitals in Ontario for the funding year[2]. The Requirement Report captures all eligible Requirements in the FCAP database at the time of report that:

  (a)   are in an Asset that has a FCI score greater than or equal to 0.21;
  (b)   cost between $10,000 and a maximum of $10,000,000; and
  (c)   fall under at least one of the following three FCAP priorities:

      - Priority One – Health and Safety;
      - Priority Two – Code Compliance; or
      - Priority Three – Asset Integrity – Imminent Breakdown.

- The Requirement Report forms the basis for the annual formulaic allocations as well as the Schedule "A" list of eligible projects which the hospital may apply their HIRF allocation towards. Hospitals may only use funds towards projects outlined on Schedule "A".

3.2. Calculation of HIRF Formulaic Funding

- Based on the above Requirement Report, the ministry calculates each hospital's proportion of the total eligible Requirements across the province to determine the hospital's anticipated allocation. An example of funding calculations is described below.

  Example: Total eligible provincial Requirements are worth $10,000,000.
  Hospital A has $500,000 worth of Requirements.
  Hospital A is eligible for 5% ($500,000/$10,000,000) of the $125M HIRF formulaic funding pool for the province (i.e. $6.25M).

- As per above example, a hospital's formulaic HIRF allocation is determined by their individual Requirements rather than the hospital's overall facility FCI.

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[2] Hospitals should ensure their FCAP data is updated and approved by December 15 to influence the next year's HIRF formulaic allocation.

- If the anticipated allocation for a hospital is less than $10,000, the ministry will provide the hospital with a minimum allocation of $10,000. If the anticipated allocation for a hospital exceeds $10,000,000, the ministry will cap the hospital's allocation at $10,000,000 for the fiscal year.

- In December 2023, the ministry will run a Requirement Report, which will be used to allocate 2024-25 HIRF formulaic funding. Hospitals should ensure their FCAP data is updated by **December 15, 2023** to influence the next year's HIRF formulaic allocation. Changes made after mid-December will not be reflected in the next year's HIRF formulaic allocation.

3.3 HIRF ECP Grant Business Cases

- If a hospital would like to receive **additional** HIRF funding (i.e. beyond their anticipated formulaic allocation) to undertake a project that may or may not be a Requirement outlined in the Schedule "A" list of eligible projects, the hospital must submit an ECP Grant Business Case to OH for endorsement and subsequently to the ministry for approval by **April 14, 2023**. Hospitals may submit **up to 3 ECP Grant business cases** per funding year. See Section 7 for more details.

3.4 Funding Letters and Updated Schedules or Agreements Provided

- The ministry will advise hospitals of the final amount of their HIRF formulaic allocation and if they have received an ECP Grant through the release of funding letters and in corresponding updates to their HIRF Agreement.

- Before providing any HIRF allocations, the ministry will require hospitals who have not received a HIRF allocation since 2019-20 to sign an agreement with the ministry containing the terms and conditions governing the use of HIRF Funds (the HIRF Agreement"). Hospitals who have received funding since 2019-20 will receive funding letters and the updated Schedules only, which are deemed to replace all prior schedules, and are not required to sign a new agreement.

- Attached to the HIRF Agreement is the Schedule "A" that will list all of the eligible projects for the funding year. Because the HIRF Agreement runs over multiple years, the ministry will create a new list of eligible projects for each funding year.

- The HIRF Agreement requires hospitals use their HIRF funds only for the eligible projects listed in Schedule "A" for the same funding year.

- Hospitals may not carry unspent funds or deficits from one funding year to another. Although the ministry has granted carry-over of funds on a temporary basis for the last three fiscal years, all hospitals should be aware that such flexibility will **not be offered** in 2023-24 and should plan accordingly to either use the funds or identify them for reallocation in the Interim Reporting. Failure to comply with the terms and conditions of the HIRF Agreement will constitute an Event of Default and the ministry may determine a remedial course of action.

3.5 HIRF Agreement Signing Process

- Hospitals receiving a new HIRF agreement will send their signed HIRF Agreements to: *HealthCapitalInvestmentBranch@Ontario.ca* with the subject line "[Hospital Name] [Funding Year] HIRF Agreement".

- Upon receiving the signed HIRF Agreement from the Hospital, the ministry will sign the HIRF Agreement and provide a fully executed copy to the hospital. Subsequently, the ministry will provide funding to the Hospital.

3.6 Hospital Reporting Obligations

- Hospitals have various reporting responsibilities throughout the year and must ensure they review their HIRF Agreement appropriately to ensure they fully understand their reporting obligations. See Section 8.1 for more details.

- Failure to provide reports properly and on time will be an Event of Default under the HIRF Agreement. All reporting materials are to be submitted electronically through SRI.

- For each funding year, hospitals receiving HIRF funds must:

  (a) begin any HIRF eligible project, once the ministry advises the hospital of the amount of their HIRF allocation;
  (b) submit to the ministry an Interim Report through SRI by **October 13**;
  (c) submit to the ministry a Settlement Report through SRI by **June 30**; and
  (d) close Requirements pertaining to completed HIRF projects in the FCAP database by **June 30**.

  Note: the ministry may not complete the annual settlement process for a hospital unless the completed requirements have been closed in the FCAP database.

- In the event that underspending is identified through the Interim Reporting process, upon confirmation, the ministry may reallocate the under-spending amount to other Hospitals based on Surplus Funds Requests received. See Section 8.2 for more details.

3.7 Additional Schedule "A" Project Requests

If a hospital receiving HIRF funding would like to use their existing HIRF funding for that year to undertake a project that is not already a Requirement outlined in the Schedule "A" list of eligible projects, the hospital must submit an Additional Schedule "A" Project Request to OH for endorsement and subsequently to the ministry for approval by the **February 15** deadline. See Section 6 for more details.

4. Eligible Projects for the HIRF Program

A project is eligible for HIRF funding if the project:

1.   Is a Requirement in the FCAP database

2.   Is for an Asset[3] that has an FCI score equal to or greater than 0.21

3.   Is for an asset that is 5 years or more old;

4.   Meets at least one of the following FCAP priorities:

     - Priority One – Health and Safety;
     - Priority Two – Code Compliance; or
     - Priority Three – Asset Integrity – Imminent Breakdown.

5.   Is a minor infrastructure renewal project;

6.   Can be completed within a maximum of 3 fiscal years;

7.   Is not part of an existing approved infrastructure project that is funded by the ministry;

8.   Is for a tangible asset that will have a useful life extending beyond one year and is intended to be used on a continual basis;

9.   Extends the useful life of the hospital facility or improves the hospital facility's quality or functionality;

10. Involves the replacement of entire systems as opposed to components of a system;

11. Is capitalizable;

12. Costs between $10,000 and $10,000,000, inclusive;

13. Will result in the closure of a Requirement in the FCAP database;

14. Has not been approved for a HIRF allocation previously (unless approval was for a distinct phase);

15. Addresses an infrastructure need only and not programs and services;

16. Does not require an increase to a hospital's operating budget;

17. Does not require preparation of a functional program;

18. Is listed on the Schedule "A" for that funding year.

See Appendix "C" for a list of examples of both Eligible and Ineligible Projects.

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[3] Includes hospital owned assets captured in the FCAP database used for Fund Type 2 programs.

5. Projects that are Ineligible for the HIRF Program

A project is ineligible for the HIRF program if it relates to:

1. Infrastructure to accommodate additional beds or new/expanded programs or services;

2. Infrastructure projects for non-hospital purposes;

3. Infrastructure projects in assets not owned by the hospital;

4. Infrastructure for revenue generating areas (e.g., parking lots/garages, gift shops, etc.); or,

5. Is not listed on the Schedule "A" for that funding year.

See Appendix "C" for a list of examples of Eligible and Ineligible Projects.

6. Additional Schedule "A" Project Requests (ASPs)

In order for a hospital to have a Requirement considered for addition to their Schedule "A" list of eligible projects, hospitals are required to submit an Additional Schedule "A" Project (ASP) Request Form (available on the Self Reporting Initiative (SRI) website (https://www.sri.moh.gov.on.ca/SRI/)). Requests can be submitted for the following scenarios:

1. **NEW URGENT REQUIREMENT:** If a hospital would like to use their existing HIRF funding to complete an emerging, urgent priority infrastructure project that meets all criteria set out in Section 4 except that it is not currently an FCAP Requirement (and therefore not on their Schedule "A"), the hospital should submit an Additional Schedule "A" Project request to OH for endorsement.

   OH will provide the endorsed Schedule A project request to the ministry for approval.

   The hospital can only apply HIRF funds towards the project if the ministry has approved the ASP and sent the hospital an updated Schedule "A" that includes the ASP.

   The hospital will also be required to enter the Requirement in the FCAP database. A Requirement number is required in order to complete HIRF project Settlement documentation.

2. **EXISTING REQUIREMENT NOT ON SCHEDULE "A":** If a hospital has an existing FCAP Requirement in the database that otherwise meets all HIRF eligibility criteria, but does not appear on the Schedule "A" list of eligible projects, the hospital should submit an Additional Schedule "A" Project request to OH for endorsement and the ministry for approval in order to have this added to Schedule "A".

Please refer to the *Roles and Responsibilities* section for further information on hospital, OH and ministry roles and responsibilities for ASPs. These types of requests must be

submitted through SRI by **February 15** of the given funding year. Late submissions will not be considered.

7. Exceptional Circumstance Project (ECP) Grants

As noted above, hospitals may also apply for an ECP Grant to receive HIRF funding in addition to their annual formulaic allocation. The ministry will direct such grants toward high priority needs. To be eligible for an ECP Grant, the project must meet all the criteria laid out in Section 4 with the **exception** that the project does **not** need to be:

- for an Asset with a FCI greater than or equal to 0.21;
- for an asset that is at least 5 years old; and/or,
- currently included as requirement[4] in the FCAP database or currently included on a hospital's Schedule "A".

Thus, hospitals can apply for ECP Grants both for:
- urgent projects that have emerged but are not yet in the FCAP database or listed on their Schedule A;
- Projects that are already on their Schedule "A", and where the project cost for the year exceeds the Hospital's anticipated formulaic HIRF allocation for that funding year.

All hospital are eligible to apply for ECP Grants, including hospitals that did not receive HIRF formulaic funds in the current or previous funding year.

To be considered for the 2023-24 year, hospitals must complete the Exceptional Circumstance Project (ECP) Grant Business Case Form (available on the SRI website). by **April 14, 2023**. Hospitals may submit **up to 3 ECP Grant business cases** per funding year. ECP Grant Requests received regularly exceed the funds available and therefore not all requests can be granted. Late submissions will not be considered.

For hospitals selected to receive an ECP grant, the funds will still be subject to the Hospital's signed HIRF Agreement. Hospitals that do not have a signed HIRF Agreement will be required to sign an agreement in order to receive the funds.

Please note that for the 2024-25 fiscal year, ECP Grant Business cases will be due on **October 27, 2023**.

8. In-Year Processes

8.1 Interim Report

In the Interim Report, the hospital identifies the projects undertaken from Schedule "A", the costs incurred to date and estimated spending by the end of the fiscal year.

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[4] In such cases, the hospital will be required to enter this project into the FCAP database as a Requirement.

The ministry uses information in Interim Reporting to reallocate funds that cannot be spent by a given hospital in the fiscal year to other hospitals that have submitted Surplus Funds Requests Forms and indicated they can spend these funds. The ministry relies on hospitals to identify their underspending so that the funds can be reallocated to other hospitals that can spend the funds. Although the ministry has granted carry-over of funds on a temporary basis for the last three fiscal years, all hospitals should be aware that **such flexibility will not be offered in 2023-24** and should plan accordingly to either use the funds or identify them for reallocation in the Interim Reporting.

Hospitals are required to submit an Interim Report to the ministry by **October 13, 2023.** Interim reports are submitted through SRI.

8.2 Surplus Funds Requests

Hospitals may submit a Surplus Funds Request Form (due **October 13**) to request additional in-year HIRF funding, if available, for:

(a)   ongoing projects that exceed the HIRF allocation, or
(b)   additional Schedule "A" eligible projects

As noted above, the ability of the Ministry to provide any funding for Surplus Funds Requests rests on the reallocation of funding from other hospitals that indicate through Interim Reporting they are not able to use all of their HIRF funding within the fiscal year.

Hospitals that wish to submit Surplus Funds Requests must seek OH approval and endorsement.

The Surplus Funds Request Form is available on the SRI website and must be submitted and OH endorsed by **October 13, 2023** in order to be considered by the ministry.

8.3 Reallocation Process

A goal of the annual HIRF allocation is to enable the hospital sector to achieve 100% utilization of all funding on priority infrastructure projects. When projected underspending of HIRF funds in certain hospitals in the province is identified through Interim Reporting, funds are recovered, and other hospitals that submit Surplus Funds Requests may be eligible to receive additional funding through a reallocation by the ministry.

In recent years, the Surplus Funds Requests received have exceeded the funds made available through in-year recovery and therefore not all Surplus Funds Requests can be granted. Hospitals receiving additional HIRF funding pursuant to a Surplus Fund Request must spend these funds by **March 31** of the same funding year.

8.4 Settlement

In accordance with the HIRF Agreement for each funding year, the hospital is required to submit a Settlement Report to the ministry by **June 30** of each subsequent funding year. The ministry will use the Settlement Report to reconcile the funding. The ministry will refer

to the Schedule "A" list of eligible projects to determine eligible expenses. The Settlement Report is to be submitted through SRI.

If a hospital is not able to spend the HIRF allocation by **March 31** of each funding year, or uses the HIRF allocation towards ineligible projects not outlined on Schedule "A", the balance will be recovered by the ministry as part of the settlement process in accordance with the HIRF Agreement. Although the ministry has granted carry-over of funds on a temporary basis for the last three fiscal years, all hospitals should be aware that such flexibility will not be offered in 2023-24 and should plan accordingly to either use the funds or identify them for reallocation in the Interim Reporting.

As per the terms of the HIRF Agreement, hospitals must close all completed HIRF project-specific Requirements in the FCAP database by **June 30** of each subsequent funding year along with the settlement documentation.

Please note, failure to meet the terms and conditions of the HIRF Agreement will constitute an Event of Default and the ministry may determine a remedial course of action, including recovery of ministry funds.

8.5 Contact Information

To ask program-related questions, hospitals should contact their OH HIRF contact, identified in Appendix "E".

9. Summary of Roles and Responsibilities for Hospitals, OH, and the Ministry in the HIRF Program

In each fiscal year, hospitals may be eligible to receive additional HIRF funding above their formulaic allocation for projects approved by the ministry as either an ECP Grant, or through a Surplus Funds Request.

1. OH will:

(a)   review the hospital's completed Additional Schedule "A" Project Request, ECP Grant Business Case, and/or Surplus Funds Request Form to ensure that the project meets the eligibility criteria and recommend the funding necessary to complete the project.

2. Based on OH's review of the ECP Grant Business Cases, Surplus Funds Requests, and Additional Schedule "A" Project Requests in their service area, OH will:

    (a)   submit to the ministry all endorse ECP Grant Business Cases, Surplus Funds Requests, and Additional Schedule "A" Project Requests in both Microsoft Excel and signed PDF format, including statements demonstrating why the projects are a priority for OH at this time; and

    (b)   provide all OH-endorsed documents to the ministry through SRI.

3. The ministry:

    (c)   will review all ECP Grant Business Cases, Surplus Funds Requests, and Additional Schedule "A" Project Requests along with OH's statement demonstrating why they are a priority for OH at this time;

    (d)   may approve or reject ECP Grant Business Cases, Surplus Funds Requests, and Additional Schedule "A" Project Requests; and

    (e)   may re-allocate funding among hospital based upon its assessment of Interim Reports and Surplus Funds Requests.

4. The Hospital will:

    (a) prepare and submit completed ECP Grant Business Cases, Additional Schedule "A" Project Requests, and/or Surplus Funds Request Forms in both Microsoft Excel and signed PDF format through SRI for OH endorsement;

    (b) enter Requirements for any ministry approved ECP Grants and Additional Schedule "A" Project Requests in the FCAP database if they are not already included there;

    (c) ensure that any additional funds received as a result of a Surplus Funds Requests or ECP Grant Business Case are utilized by **March 31** of the same funding year;

    (d) Close any completed requirements in the FCAP database by the settlement report deadline of **June 30**; and

    (e) Meet all other requirements of the HIRF funding agreement.

Appendix A: Facility Condition Assessment Program (FCAP)

In 2007-08 the ministry began implementing the FCAP to obtain detailed and consistent information in order to:

- inform the ministry and government about the stock and condition of the infrastructure of publicly funded hospitals;
- develop long-term projections of capital investment requirements; and
- assist with the evaluation of capital funding requests.

The following services are provided through a third-party vendor:

- condition assessments of hospital facilities by qualified engineers and architects;
- building inventory data about each hospital;
- software that houses this information; and
- tools for reporting, analytical work and planning.

The FCAP assessment schedule is 4 years in duration with approximately 25% of all eligible hospitals being assessed annually.

The main elements of FCAP include a physical assessment of hospital facilities and sites, and Asset Management Software that stores and reports on the information derived from assessments. The program measures and records the conditions of hospitals' physical Assets. This data is available to the hospitals, OH and the ministry.

Hospitals are required to update their data in the FCAP database to ensure accurate information is available to identify funding needs and inform decisions. All public hospitals in the province are required to fully participate in the FCAP.

Hospital's participation in the FCAP includes (but is not limited to):

- allowing the vendor to complete a condition assessment during the FCAP assessment cycle (each hospital to work with the third-party vendor to schedule the hospital's assessment;
- participating in the software training;
- reviewing and confirming the condition assessment draft report within 25 business days of receipt; and
- maintaining the hospital's data for the FCAP in the FCAP database (i.e. adding Requirements, closing Requirements, etc.)

FCAP provides hospitals with Asset information that includes a Facility Condition Index (FCI) score, which measures the condition as a ratio of the sum of the near term needs for an Asset divided by its replacement value.

It is increasingly important to the HIRF program, and to provincial infrastructure planning, that hospitals maintain the data being collected in the FCAP database. Through participation in training sessions, hospitals should become familiar with managing their FCAP data to ensure infrastructure information is current. Failure to update and maintain the FCAP data may result in hospitals being deemed ineligible for HIRF. The FCAP will also be used to support recommendations on health capital investment policies. Accurate information obtained through the FCAP will assist hospitals, OH and the ministry in setting capital renewal priorities.

Appendix B: Facility Condition Index (FCI)

Facility Condition Index (FCI) scores measure condition as a ratio of the sum of the near term needs for an Asset divided by its replacement value.

$$FCI = \frac{\text{Full \underline{Deferred Maintenance +2 Years of Capital Expenditure}}}{\text{Current Replacement Cost}}$$

Infrastructure Asset Management Framework (IAMF) Standard Condition Ratings Based on FCI
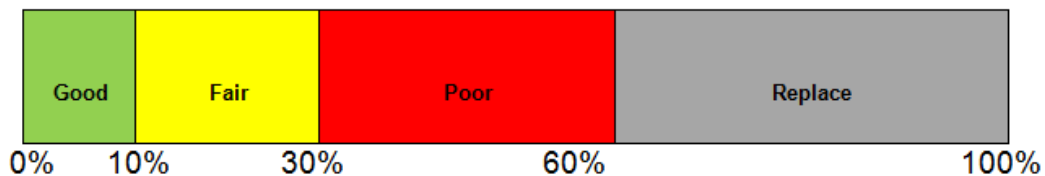
Example: FCI score of 0.10 = 10% or "Good"

The current benchmark FCI Score for all eligible hospitals in Ontario is 0.21.

Full Deferred Maintenance: refers to the accumulated value of the normally required maintenance investments that have been deferred from prior years up to the current year and are due; this is the sum of maintenance needs with action years to the current year, also referred to as "Deferred Maintenance + Current Year" (only includes FCAP priority Requirements 1–5).

2 years of Capital Expenditure: refers to all repairs (only includes FCAP priority Requirements 1–5) that have been identified and are planned for implementation in the following two years; this is the sum of projected maintenance needs for two years beyond the current year, also referred to as "Planning Years 1+2".

Current Replacement Cost: is an estimate of the cost of replacing an existing Asset with a similar new Asset with the same functional utility.

Appendix C: Examples of Eligible and Ineligible HIRF Projects

a.) Examples of <u>Eligible</u> HIRF Projects

The following list of projects is not intended to be exhaustive. Its purpose is to assist hospitals to identify eligible HIRF projects.

✓ Mold remediation	✓ Replacing nurse call system
✓ Isolation room monitoring	✓ Installing protective glass partitions
✓ Inserting view panels in existing doors	✓ Addressing hazardous materials
✓ Addressing barrier-free Requirements (i.e., at hospital entrance/exit points, washrooms)	✓ Installing, for security purposes, closed circuit television systems
✓ Installing ceiling lifts/tracks	✓ Replacing an infant protection system
✓ Sidewalk replacement	✓ Replacing infection control barriers
✓ Addressing penetration to fire separations	✓ Removing asbestos
✓ Removing contaminated soil	✓ Replacing/removing underground tank(s)
✓ Replacing roof/roof sections	✓ Addressing egress from buildings
✓ Replacing pumps	✓ Upgrading fire alarm system
✓ Replacing windows	✓ Replacing/upgrading chiller
✓ Replacing doors	✓ Replacing boiler(s)
✓ Replacing flooring	✓ Replacing HVAC (rooftop) unit
✓ Replacing AHU (Air Handling Unit)	✓ Upgrading elevator(s)
✓ Replacing cooling tower	✓ Replacing emergency generator(s)
✓ Replacing transfer switch gear for emergency power	✓ Upgrading electrical distribution and/or supply
✓ Restoring exterior cladding (i.e., tuck/stone-pointing)	✓ Replacing bulk oxygen system

b.) Examples of <u>Ineligible</u> HIRF Projects

The following are examples of projects which are not eligible under the HIRF program. HIRF allocations cannot be used for the following:

✕ Salaries, wages and benefits for hospital staff	✕ Infrastructure issues in assets leased by the hospital
✕ Patching roof/flooring systems	✕ Infrastructure issues for revenue generating areas (e.g., parking lots/garages, gift shops, etc.)
✕ Replacing hardware	
✕ Duct cleaning	✕ Infrastructure issues for hospital-owned assets where >10% of the space is leased out to other parties
✕ Painting walls, ceilings, etc.	
✕ Repairing leaks to windows/skylights	✕ Purchasing/installing:
✕ Replacing light bulbs	o Medical equipment
✕ Treating/Testing water quality/medical gases	o Information technology
✕ Installing valves	o Communications technology
✕ Furnishings	✕ Paging/telephone replacements/upgrades except when integrated with nurse call and/or fire alarm system
✕ Any regular maintenance work	
✕ Consulting fees for:	✕ Infrastructure issues for long-term care facilities (exception of Elderly Capital Assistance Program programs)
o equipment	
o interior design and/or colours	
o landscape architecture	✕ Gardens, works of art, and decorations
o traffic	✕ Conducting planning and/or feasibility studies of any kind
o kitchen/dietary issues	

In addition, HIRF Grants cannot be used for:

- coverage of hospital staff costs for projects completed by hospital staff. HIRF Grants cannot be used to backfill hospital staff costs;

- infrastructure to accommodate additional beds or new/expanded programs or services;

- infrastructure for programs being provided from former provincial psychiatric hospital sites/facilities, as these are managed through a separate capital program for these sites, in conjunction with Infrastructure Ontario;

- projects to address infrastructure issues or maintenance that are covered under an existing maintenance contract for hospitals that have been constructed through a build/finance/maintain (BFM) or design/build/finance/maintain (DBFM) public private partnership (P3) arrangement, where life cycle costs/funding are included as part of the procurement arrangement; or

- any portion of a project that has any cost that has or will be funded or reimbursed by one or more of any third party, any ministry, agency or organization of the Government of Ontario.

Appendix D: Self Reporting initiative (SRI) HIRF User Guide

1. REGISTERING FOR SRI

If you do not already have an account for SRI, you will need to register online at https://www.sri.moh.gov.on.ca/SRI/.

Click **Register for a new account** to begin user registration. Follow the on-screen prompts to complete Steps 1 & 2, then refer to section 2 below for assistance in adding permissions for the HIRF program.

2. ADDING HIRF PERMISSIONS

To submit HIRF forms to the ministry through SRI, you will need to add permissions for HIRF to your SRI user account.

When creating a new SRI user account, HIRF permissions can be added through Step 3 of the user registration process. If you have an existing SRI user account, you can add permissions once logged onto your account through the dashboard by clicking on **User Profile > Add/Modify Submission Permissions**, located at the top left of the page.

Enter the name of your organization, and be sure to select **HIRF (Health Infrastructure Renewal Fund)**. Click **Add submissions** to complete the next section of the page.

Next, select the checkbox for the submissions (Interim Report, Settlement Report, Surplus Funds Request) and permissions (Submit, Input, View) you wish to receive, then click **Add permissions**. The example below shows the selection for a user wishing to request Submit permissions for all three submissions.

Next, you will see the name and contact information for your organization's Authoritative Person, who will authorize your request. Confirm that this information is correct, and click **COMPLETE REGISTRATION** (if creating a new account) or **Update** (if adding permissions to an existing account) to complete the process.

Note: Once submitted, your Authoritative Person will receive an email. The Authoritative Person will need to approve your request before you can view the HIRF forms.

3. ACCESSING AND SUBMITTING HIRF FORMS

Once you have been granted HIRF permissions, you can create new forms by clicking **Submissions > Create New Submission**, located at the top left of the page.
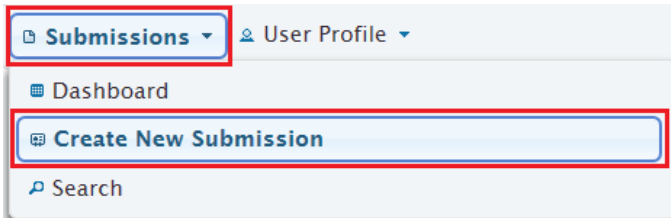
This will bring you to a new page where you can select which forms you wish to create. Clicking **Create** will generate the selected forms for your organization. You will need to return to the Dashboard to access the forms, where they will show as "In Progress".

Navigate to the **Dashboard** (Submissions > Dashboard), then click **In Progress** to view which forms have been created. Click the **Year** to access the form.

This will bring you to the Submission Edit page, where you can **Check Out and Download** the form to make edits and **Check In** the form once edits have been made. This is also where you will add signed PDF copies of the forms and any additional documents. Click the **Additional Documents** tab followed by the **+ Add** button to attach additional documents to your submission.

Once you have checked in your completed forms and added any additional documents, click **Submit For Approval**.

Please note that for Additional Schedule "A" Project Requests and ECP Grant Business Cases, you will be required to Create a New Submission for each request. Useful Tip: To prevent uploading errors in SRI, ensure the Form ID matches the Form ID in the filename of the generated Excel document.

For any additional questions related to using SRI, or should any technical issues arise, please contact the assigned SRI support center by email at askhealthdata@ontario.ca*.*

Appendix E: Ontario Health Contact Information

Region	Main Contact Name	Email	Phone	Title
Central	Serena Kurkjian Leanne Vincent	serena.kurkjian@ontariohealth.ca leanne.vincent@ontariohealth.ca	647-800-5442 705-619-4619	Director, Capacity, Access and Flow (Infrastructure) Lead, Capacity, Access and Flow (Infrastructure)
East	Sue Wojdylo Tunde Igli Chahinez Bendou Rachelle Cruz Tao Jiang Sam Malek	Sue.wojdylo@ontariohealth.ca Tunde.igli@ontariohealth.ca Chahinez.Bendou@Ontariohealth.ca Rachelle.williams@ontariohealth.ca Tao.jiang@ontariohealth.ca Sam.malek@ontariohealth.ca	343-300-6868	Director, Performance, Accountability and Funding Allocation Lead, Performance, Accountability and Funding Allocation
North East	Anne-Marie Heron	Anne-marie.heron@ontariohealth.ca	807-698-8979	Director, Performance, Accountability and Funding Allocation (Hospitals)
North West	Anne-Marie Heron	Anne-marie.heron@ontariohealth.ca	807-698-8979	Director, Performance, Accountability and Funding Allocation (Hospitals)
Toronto	Pauline Luu Jacques How Adriana Quiceno	Pauline.luu@ontariohealth.ca Jacques.how@ontariohealth.ca Adriana.Quiceno@Ontariohealth.ca	437-290-5950	Director, Performance, Accountability and Funding Allocation Manager, Performance, Accountability & Funding Allocation Lead, Performance, Accountability and Funding
West	Erin Link Kiran Kumar Shannon Lawrence G Bansal Denise Malhotra Michelle Johnston Amanda Carscadden	Erin.link@Ontariohealth.ca Kiran.Kumar@Ontariohealth.ca Shannon.lawrence@Ontariohealth.ca gaurav.bansal@ontariohealth.ca denise.malhotra@ontariohealth.ca michelle.johnston@ontariohealth.ca amanda.carscadden@ontariohealth.ca	519-351-5677 Ext: 7011 289-244-5438 226-400-1436 519-883-5500 x3225	Director, Performance & Accountability Director, Performance & Accountability Specialist, Performance & Accountability Manager, Performance & Accountability Manager, Performance & Accountability Specialist, Performance & Accountability Specialist, Performance & Accountability

Appendix F: Glossary

Asset
An Asset is a free-standing structure, a portion of a structure, or any part of facility infrastructure that is distinguishable from its surroundings by date of construction, construction type, and/or the Systems that comprise it.

Additional Schedule "A" Project Request
Projects which have been identified for addition to the Schedule "A" list of eligible projects. In order for a hospital to have a Requirement considered for addition to their Schedule "A", hospitals are required to submit a request. Requests can be submitted for new urgent requirements or existing requirements that are not listed on Schedule "A" as per the descriptions/criteria provided in the HIRF Guidelines.

Capital Assets
Capital Assets are non-financial Assets that have physical substance that are purchased, constructed, developed or otherwise acquired. Capital Assets have useful lives extending beyond one year.

Category
A Category is the type of issue assigned to each Requirement so that the issue affecting a facility can be catalogued. The category may affect how a Requirement's cost is measured. Examples of categories in FCAP include: accessibility, building code, life safety and operations.

Eligible Projects
The list of eligible projects set out in Schedule "A" for each Funding Year.

Exceptional Circumstance Project (ECP) Grants
An additional allocation of HIRF funding approved for an Exceptional Circumstance Project (ECP). In order to be considered for an ECP Grant, OH endorsed Business Case must be submitted to the ministry by the specified deadline.

FCAP
Facility Condition Assessment Program.

Funding Year
The period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31. This is the timeframe within which hospitals must expense the HIRF allocation.

HIRF
Health Infrastructure Renewal Fund.

HIRF Allocation
A HIRF allocation is a hospital's share of appropriated funds by the government. The Ministry of Health approves HIRF Allocation for use by public hospitals, in accordance with the HIRF Guidelines and Agreement each funding year. Hospitals may only use the HIRF allocation towards eligible projects outlined on Schedule "A".

HIRF Guidelines
The HIRF Guidelines are the guidelines established by the Ministry of Health for HIRF allocations.

Interim Report
An Interim Report is submitted by the hospital to the ministry to identify HIRF projects and progress for a HIRF allocation. The Interim Report is available on SRI. Hospitals are required under the HIRF agreement to submit a report in October in order for the ministry to assess spending progress.

Maintenance
Maintenance is work that results in the retention of the pre-determined service potential of a capital Asset for a given useful life. Costs incurred that do not prolong an Asset's economic life nor improve its efficiency are not considered capital expenditures. Maintenance expenditures are operating expenditures and should not be included as part of capital expenditures.

Priority
A Priority is the severity of each Requirement and includes the timeframe during which it should be scheduled for correction.

Priority One – Health and Safety
Requirements at this priority level are intended to address life safety hazards that may cause accidents and that may physically injure building occupants.

Priority Two – Code Compliance
Requirements at this priority level are initiated to ensure that the building systems and components are in compliance with current codes and legislation and to prevent compliance orders from the Ministry of Labour, Training and Skills Development and the Ministry of Environment, Conservation and Parks.

Priority Three – Asset Integrity – Imminent Breakdown
If left unattended, work in this at this priority level threatens program delivery due to imminent breakdown of critical building systems and components.

Projects
"Projects" for the purpose of this document refers to the projects the Hospital selects for the Funding Year – in accordance with the HIRF Agreement - from the list of eligible projects listed in Schedule "A" to be completed within three years of initiation. These include either eligible FCAP Requirements appearing on Schedule "A" or Exceptional Circumstance Projects.

Schedule "A"
Schedule "A" is the list of eligible projects set out for each Funding Year which a hospital may spend its HIRF allocation on.

Schedule "B"
Schedule "B" is the schedule of the HIRF agreement that outlines the HIRF funds allocated to the Hospital during the period of the Agreement, stratified by funding year.

Schedule "C"
Schedule "C" details the payment schedule of the funding year.

Schedule "D"
Schedule "D" outlines the reporting periods and due dates for interim reporting and annual settlement.

Renewal
Renewal refers to work done to extend an Asset's useful life or improve its functionality. Renewal of an Asset can appreciably prolong its period of usefulness or enhance its service potential. Service potential may be enhanced when there is an increase in the previously assessed physical output or service capacity such that associated operating costs are lowered, the useful life of the Asset is extended, and the quality of the output is improved. It includes upgrades that increase the service potential of an Asset (and may or may not increase the remaining useful life of the Asset). This type of expenditure should be reported as a capital expenditure.

Requirement
A Requirement is a facility need or a deficient condition that should be addressed, including deferred maintenance, code issues, functional Requirements, and capital improvements. A Requirement can affect an assembly, piece of equipment, or any other System. It is assigned a Category, Priority, and System in order for its costs and time frame for action to be catalogued appropriately.

Self-Reporting Initiative (SRI)
The Self Reporting Initiative is used for submitting all HIRF materials including the Interim Reports, SFRs, ECP Grant Business Cases, ECP Business Cases and Settlement Reports. The website can be accessed at https://www.sri.moh.gov.on.ca/SRI/.

Surplus Funds Requests
Surplus Funds Requests are requests submitted to the ministry for portion of any surplus funds that are reported during the interim-reporting period in order to complete a project listed on a Hospital's Schedule "A" list of eligible projects.

System
A System is an assembly, finish, fixture, piece of equipment, or other component that makes up an Asset.

Useful life
Useful life is defined as the estimated finite period over which a capital Asset is expected to be used. The actual life of a capital Asset may extend beyond its useful life due to good maintenance or under-utilization.

In response to feedback from hospitals and to improve efficient delivery of the program, the Ministry of Health ("the ministry") is making several changes to the HIRF program this fiscal year. A key goal of program changes is to ensure release of HIRF funds to the hospital sector earlier in the fiscal year, such that hospitals have more time to execute and spend HIRF funds within year. To that end, several changes to policy, terminology, and timelines will be implemented in 2023-24 to enact immediate improvements, while a second phase timeline changes will occur in 2024-25 to fully realize the desired program end state. See diagrams below for summary of timing changes.

2022-23 and Prior Years HIRF Funding Timelines
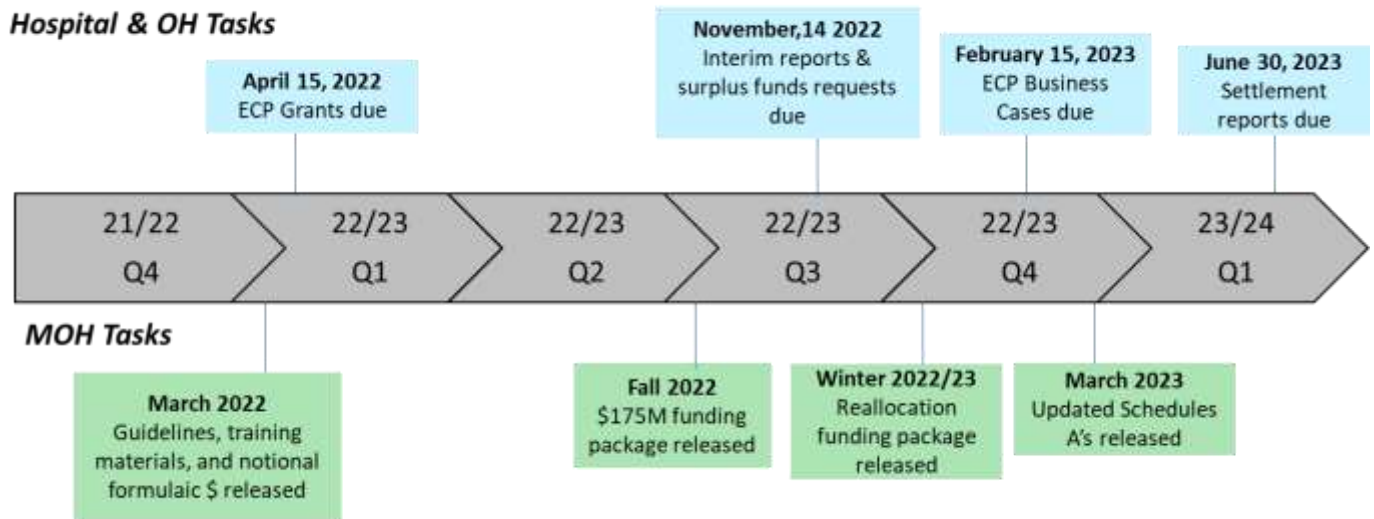
2023-24 Transition Approach
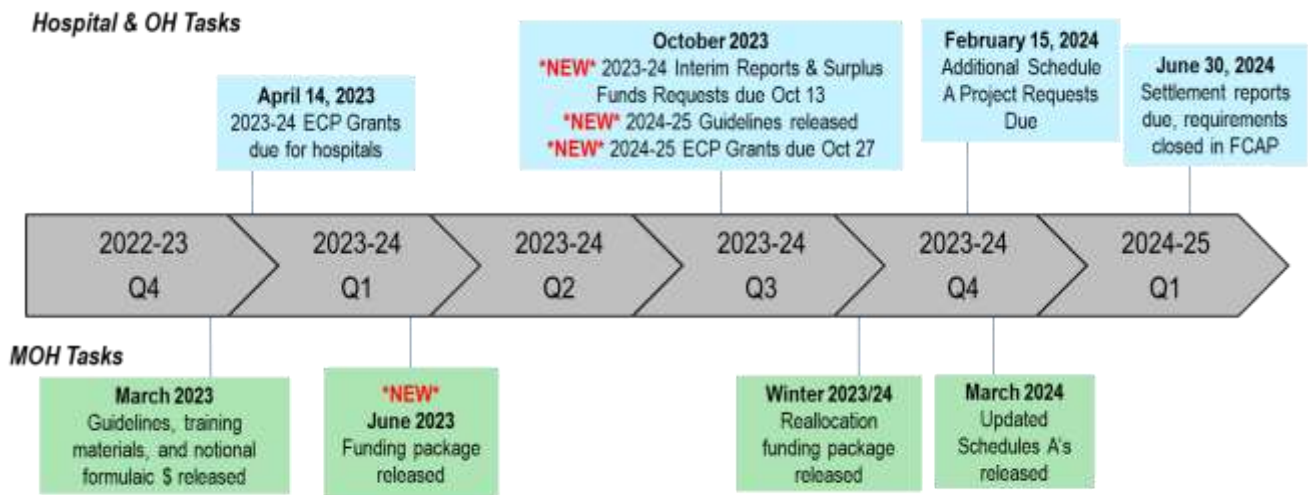
Key changes for 2023-24
- Funds to be released in June vs Fall
- Interim Report and Surplus Funds Requests have moved up to October

- 2024-25 Guidelines and ECP Grant Business Cases deadline moved up to October 2023.

2024-25 HIRF Funding Timelines

Hospital & OH Tasks

October 27, 2023
2024-25 ECP Grants due for hospitals

October 2024
2024-25 Interim Reports & Surplus Funds Requests due
2025-26 ECP Grants due

February 2025
Additional Schedule A Project Requests Due

June 30, 2025
Settlement reports due, requirements close in FCAP

23/24 Q3	23/24 Q4	24/25 Q1	24/25 Q2	24/25 Q3	24/25 Q4	25/26 Q1

MOH Tasks

October 2023
Guidelines released

March 2024
Training & Notional formulaic $ released

Spring 2024
Funding package released

Winter 2024/25
Reallocation funding package released

March 2025
Updated Schedules A's released