

September 23, 2021

**MEMORANDUM TO:** Chief Executive Officers, Ontario Public Hospitals  
Chief Regional Officers, Ontario Health

**FROM:** Peter Kaftarian  
Assistant Deputy Minister

**RE:** **2021-22 Hospital Incremental Expense Process and Revised  
Guidance Document and Excel Reporting Template**

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In follow up to the memo issued on July 26, 2021, I want to start by thanking the hospitals, shared services organizations, Ontario Health and the Ontario Hospital Association who have participated in consultations with the Ministry of Health over the past two months to discuss the 2021-22 Hospital Incremental Expense Process.

Today I am writing to confirm that the Ministry of Health will be reimbursing the hospital sector for both first and second quarter incremental COVID-19 expenses reported for FY 21-22 according to the FY 20-21 criteria, plus the addition of the new COVID-19 Temporary Summer Locum Program beginning in Q2. Prior to finalizing what will be considered for reimbursement in Q3 and Q4 of the 21-22 FY, hospitals will be asked for additional information with respect to their Personal Protective Equipment (PPE) purchases when submitting their monthly data, which will be used to inform any future reimbursements. A new reporting template will be provided for use starting in October.

The ministry is working with the Ministry of Government and Consumer Services (MGCS) and partners to explore options to offer additional PPE from the pandemic emergency stockpile at no cost to hospitals. The pandemic emergency stockpile provides PPE to the health sector for critical emergency needs. Hospitals are already the primary health user of the stockpile by PPE volume and in 2021-22, can access a free supply of 3M N95 1870+ masks, of which the province has secured a long-term supply.

If additional PPE beyond what hospitals currently have in their inventory is required, beginning October 1, 2021, hospitals are encouraged to access the pandemic emergency stockpile subject to inventory suitability and availability before making additional purchases.

Attached is the 'COVID-19 Hospital Expense Guidance Document' (Version 7). Version 7 includes information on the new COVID-19 Temporary Summer Locum Program Expansion as well as guidelines for expense reporting. Hospitals are requested to track all COVID-19 incremental expenses incurred and must attest to and submit these expenses to their respective Ontario Health (OH) Region for review prior to submission to the ministry.

In consultation with OH, we have agreed that OH validated Q2 expenses submitted to the Ministry by the dates listed below will be prioritized for payment as early as November 2021. Ontario Health validated Q2 expenses submitted after these dates will be paid in a subsequent funding package.

- Deadline for submission of July 2021 COVID-19 incremental expenses is October 13, 2021;
- Deadline for submission of August 2021 COVID-19 incremental expenses is October 20, 2021; and
- Deadline for submission of September 2021 COVID-19 incremental expenses is October 27, 2021.

These deadlines are being implemented to ensure timely cash flow to hospitals who have met reporting requirements.

In addition, beginning October 1, 2021, the province will no longer be reimbursing for N95s due to significant provincial supply and N95s should not be reported as incremental expenses in the reporting template. Only fit testing will be an eligible expense. See below chart for further explanation.

N95s purchased before Oct 1, 2021	Ministry will reimburse for N95s used.
N95s purchased after Oct 1, 2021	Ministry will reimburse for fit testing and use of existing inventory only.

The ministry remains committed to working closely with hospitals throughout the COVID-19 pandemic to ensure that patients continue to have access to quality, evidence-based and accessible care.

Thank you for your continued commitment to delivering high quality care to all Ontario patients.

Sincerely,



Peter Kaftarian

Attachment

c: Dr. Catherine Zahn, Deputy Minister, Ministry of Health  
Ms. Nancy Matthews, Deputy Minister, Ministry of Long-Term Care  
Mr. Matthew Anderson, President and Chief Executive Officer, Ontario Health  
Ms. Susan deRyk, Chief Regional Officer, Central & West Regions, Ontario Health  
Ms. Anna Greenberg, Chief Regional Officer, Toronto & East Regions, Ontario Health  
Mr. Brian Ktytor, Chief Regional Officer, North Region, Ontario Health  
Mr. Elham Roushani, Chief Financial Officer, Ontario Health  
Mr. Adil Khalfan, Health System Performance and Support Executive, Ontario Health  
Ms. Stephanie Lockert, Chief, Planning and Strategy, Ontario Health  
Mr. Mark Walton, Senior Vice President, COVID-19 Pandemic Response, Ontario Health  
Mr. Anthony Dale, President and CEO, Ontario Hospital Association  
Ms. Melanie Fraser, Associate Deputy Minister, Health Services, Ministry of Health

Ms. Allison Blair, Associate Deputy Minister, Pandemic Response and Recovery, Ministry of Health

Dr. Kieran Moore, Chief Medical Officer of Health, Ministry of Health

Ms. Susan Flanagan, Assistant Deputy Minister and Chief Administrative Officer, Ministry of Health

Mr. Michael Hillmer, Assistant Deputy Minister, Capacity Planning and Analytics Division, Ministry of Health

Mr. Kyle MacIntyre, Assistant Deputy Minister, Health Transformation Division, Ministry of Health

Ms. Sheila Bristo, Assistant Deputy Minister, Long-Term Care Operations, Ministry of Long-Term Care

Ms. Kristen Routledge, Assistant Deputy Minister, Communications Division, Ministry of Health

Ms. Renee Mahalanobis, Director, Ontario Health Oversight Branch, Ministry of Health

Mr. Jeffrey Graham, Director, Fiscal Oversight and Performance Branch, Ministry of Health

Mr. Jim Yuill, Director, Financial Management Branch, Ministry of Health

Ms. Tara Wilson, Interim Director, Hospitals Branch, Ministry of Health

Mr. Sherif Kaldas, Director, Health Sector Models Branch, Ministry of Health

Ms. Kristin Taylor, Director, Provincial Programs Branch, Ministry of Health

Mr. James Stewart, Director, Health Capital Investment Branch, Ministry of Health

Ms. Aileen Chan, Director, Health Data Branch, Ministry of Health

Mr. David Lamb, Director, Capacity and Health Workforce Planning Branch, Ministry of Health

Ms. Abby Dwosh, Director, Long-Term Care Funding and Programs Branch, Ministry of Long-Term Care