

March 31, 2022

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

FROM: Peter Kaftarian
Assistant Deputy Minister, Hospitals and Capital Division

RE: **Guidance Documents and Templates for Q1 2022-23 Incremental Expense, and 2021-22 Unearned Volume-Based Funds**

In follow up to the memo sent on March 22, 2022, I am writing to confirm that the Ministry of Health (the ministry) will be reimbursing the hospital sector for incremental COVID-19 expenses reported for the first quarter of 2022-23 and will be enabling hospitals to use unearned funds from select volume-based programs to address 2021-22 hospital operating cost pressures (Fund Type 1)

Incremental COVID Expenses

Attached is an updated 'COVID-19 Hospital Expense Guidance Document' (Version 10) and reporting template to be used for 2022-23 Q1 (April – June) 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. Deadlines for submission of Q1 expense reports to the ministry are as follows:

- Deadline for submission of April 2022 COVID-19 incremental expenses is June 17, 2022;
- Deadline for submission of May 2022 COVID-19 incremental expenses is July 15, 2022;
and
- Deadline for submission of June 2022 COVID-19 incremental expenses is August 19, 2022.

OH regions are urged to work with their respective hospitals to ensure hospitals submit ahead of the ministry submission deadlines above to leave sufficient time for the region's respective review, quality check, attestation form completion, and subsequent submission.

At this time, hospitals should anticipate that the claims-based expenses process will be discontinued at the end of Q1 2022-23. The Ministry is working with the Ontario Hospital Association, Ontario Health and hospital leaders to determine appropriate hospital operation supports moving forward.

A separate communication for the settlement of 2021-22 incremental COVID-19 operating and capital expenses will follow in April 2022.

Unearned Volume-Based Funding from Select Hospital Programs

Pursuant to the recent Minister-signed amendment to the Ontario Health Accountability Agreement that adjusted 2021-22 reconciliation policies for certain hospital programs, attached is the 2021/22 Unearned Funds Policy and Instruction Guide and the Unearned Hospital Funds Statement to be completed by hospitals. The guide provides details on the policies by which eligible hospitals can apply unearned volume-based funding to Fund Type 1 hospital pressures (that were not eligible for the COVID-19 Incremental Hospital Expense Process) and provides step-by-step instructions on how to complete the excel-based form. Hospitals are required to complete and return the Unearned Hospital Funds Statement to the Ministry by July 15th, 2022.

Should you have any questions regarding incremental COVID expenses please contact Tara Wilson, Interim Director, Hospitals Branch at Tara.L.Wilson@ontario.ca, and should you have any questions regarding unearned volume-based funding please contact Kristin Taylor, A/Director, Provincial Programs Branch, at Kristin.Taylor@ontario.ca.

Sincerely,



Peter Kaftarian

Attachments

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
Mr. Jeff Butler, 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, 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

Ms. Jodi Melnychuk, Director, Vaccine Planning and Engagement Branch, Ministry of Health