



## Staff Memo

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**Report To:** South Huron Council  
**From:** **Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk**  
**Date:** December 18 2023  
**Report:** CAO#009-2023  
**Subject:** Huron Health System Request to Council – Update #1

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### **Recommendations:**

**That South Huron Council receive the memo of Rebekah Msuya-Collison, Chief Administrative Officer re: Huron Health System Request to Council Interim Report, for information.**

### **Purpose:**

The purpose of this memo is to provide Council with a summary of information gathered to date and status update regarding the South Huron Hospital's delegation request for support.

### **Background and Analysis:**

The Huron Health System (HHS) attended Council as a delegation at the September 5, 2023 Council meeting. At that time, HHS requested that the Municipality:

- 1) establish a community committee to determine the best way to "future proof" medical services for the residents of South Huron, and
- 2) commit to provide \$500,000 in annual operating dollars to support the South Huron Medical Clinic.

At the September 18, 2023 meeting, Council passed the following resolution:

Motion: 369-2023 Moved: A. Neeb Seconded: J. Dietrich  
That Council direct staff to investigate the request of the Huron Health System further, including the status of the Health Clinic, the requests of Huron Health System and bring back a report for Council consideration at a future Committee of the Whole.

Given the significance of this request, staff have been moving quickly to gather information for Council consideration. This preliminary memo provides a summary of the information collected to date.

### **Process**

Discussions were held at a staff level with the following individuals during late October and early to mid-November to better understand the current challenges facing the South Huron Medical Clinic and to provide some guidance on potential next steps that the Municipality could undertake in response to the stated concerns:

- Jimmy Trieu, President and CEO, Huron Health System
- Andrew Williams, President and CEO, Huron Perth Hospital Partnership
- Krista McCann, Executive Director, South Huron Hospital Association Foundation
- Dr. Sean Ryan, South Huron Primary Care Physician
- Heather Klopp, Manager Patient Relations, Patient Registration, Privacy and Health Records, Huron Health System
- Janice Hallahan, CAO and Deanna Hastie, Treasurer, Town of Goderich
- Jane Tillmann, Advisor, Health Workforce, Clinical Institutes & Quality Programs, Ontario Health

Municipal staff also toured the Maitland Valley Medical Clinic with the Executive Director, Matt Hoy, and spoke to representatives from other municipalities and clinics within Southwestern Ontario.

### **Interim Findings**

Traditionally, the provision of healthcare services has been viewed by many as solely a provincial responsibility. However, a range of possible municipal supports is outlined by the Association of Municipalities Ontario (AMO) (2019):

- *Co-funding and delivering provincial health programs such as public health, long-term care, and paramedic services.*
- *Contributing significant capital funding for hospitals.*
- *Investing in accessible communities to serve persons with disabilities.*
- *Delivering social services, housing and recreation programs that promote healthy living, health equity, and address socio-economic factors that influence health outcomes.*
- *Recruiting physicians to communities that lack good access to primary care through locally funded incentives.*
- *Representing local health interests to health institutions and the provincial government.*

Across Ontario, many municipal councils choose to support local public health and health care systems in a variety of ways. For example, some municipalities have elected to play a role in supporting primary care - influencing both recruitment and sustainability efforts - as it is regarded as a cornerstone of the healthcare system, serving as the first point of contact for individuals seeking medical attention.

While some of the roles identified above are generally consistent across municipalities, many of the ways and the extent to which local governments support and invest in local health services are unique to each individual municipality. In addition, the extent to which local municipalities are contributing to their local public health and health care systems has been increasing over time as communities strive to maintain access to high quality services and address local gaps in provincial services.

Several municipalities surrounding South Huron have long-standing arrangements within their communities that support primary care recruitment and sustainability. Whether municipalities have made either annual financial commitments to support physician recruitment initiatives or provided a one-time capital investment towards clinic infrastructure, these contributions are typically made to a community partner, such as a hospital foundation or an established community group, who leads the effort on behalf of the partnership.

### **Family Health Team (FHT) Partnership Models**

Within Huron Perth, many primary care practices operate as a Family Health Team, which is a primary care model recognized and funded by the province. The South Huron family practice physicians is a stand-out exception within the Huron Perth Area as the province does not currently recognize them as a

FHT. Although an application for FHT status is currently before the Ministry of Health, without this recognition South Huron family practice physicians do not benefit from ongoing operating dollars provided to existing FHTs, which support clinic administration and nursing and allied health resources.

South Huron family practice physicians have also not received capital funding to support the development of clinic space. While the status of the FHT application is pending, the likelihood of a successful outcome for the community is uncertain as there are many jurisdictions across Ontario that have not received the extent of funding that the Huron Perth area has received as a whole.

### **Municipal Investment in Primary Care Partnership Models**

When thinking about investments in Primary Care sustainability, it is important to distinguish between one-time (capital) requirements and ongoing operating dollars. In terms of the capital resources required to establish a new medical clinic, there are many examples across the province where one-time investments have been made by municipalities. Often, these investments have been made to local hospitals through their foundations.

The clinic model that exists within the Town of Goderich was identified to Council in the delegation by HHS. In this instance, it is the Town that owns the clinic building, which is then leased back to the primary care practice/Family Health Team. The Town maintains the facility as the clinic landlord but does not contribute to clinic operating costs. There are a number of other complimentary health service providers leasing spaces within the building that contribute to the revenue received by the Town. While a significant investment was made by the Town to construct the building, it is now seen as a mutually beneficial partnership arrangement between the Town of Goderich and the local primary care practice.

Another example in Southwestern Ontario is a model where the municipality owns the clinic and funds clinic operations. Here, physicians pay an agreed upon amount to the municipality to offset some of these operating costs; however, approximately \$280,000 in annual operating costs is now being subsidized by the local municipality. It needs to be noted in this example the municipality has struggled with increasing operating costs and responsibility for the ongoing funding health service delivery costs and is currently trying to renegotiate this agreement.

There are models in Southwestern Ontario in which municipalities have no role in operating the clinic(s) but have donated funds towards the original

capital investment and/or provide an annual contribution through a local foundation, which offsets operating costs of the clinic. There are also examples of privately owned clinics, such as the medical clinic in Lucan Biddulph, as well as clinics that were built through partnerships between hospitals and private businesses such as pharmacies.

## **Current Status**

In speaking with representatives from the South Huron Hospital, the Hospital Foundation and primary care providers, all of these potential partners are motivated to be part of a community solution that supports sustainable local access to primary care. There are a number of ways, both financial and non-financial, in which the Municipality of South Huron could participate in an partnering arrangement.

South Huron has membership on the Huron Health Team Recruitment and Retention Committee as well as supports the South Huron Recruitment and Retention Committee through a Memorandum of Understanding. South Huron Council has also recently submitted correspondence in support of SHHA and physician applications to the Province as well as met with the Minister of Health to advocate on behalf of SHHA and the Huron Health Team.

Staff understand and recognize that health care services are a responsibility of the provincial government and that municipalities do not receive funding from senior governments to finance the provision of health care services. However, staff also recognize that sustainable access to local health care services is a significant measure of community and economic wellbeing. An example is the positive impact on local workforce attraction and retention when there is access to family physicians.

Moving forward, ensuring local access to sustainable primary care in the Municipality of South Huron requires engagement with all key stakeholders. The optimum structure of any partnering agreement remains to be determined, however, discussions are continuing.

The Hospital has provided a financial overview of the medical clinic finances and the document is attached to this memo. Council will note that over the past 5 years, total costs have ranged from \$530K to \$570K. The net cost (factoring in the revenue from physicians per their contracts) and is generally around \$400K.

## **NEXT STEPS**

1. Municipality (staff and Council) continue to advocate on behalf of the South Huron Hospital Association's application for FHT status.
2. Staff continue to explore with our local primary care, South Huron Hospital and Hospital Foundation an optimum partnering structure that supports sustainable access to primary care in South Huron.
3. If the Hospital, Foundation or a community group do undertake to establish a committee, staff would recommend municipal representation on that committee.

**Related Documents:**

2019 [AMO Partners for a Health Ontario](#)  
Medical Clinic Financial Statement

Respectfully submitted,

**Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk**