

Primary Care Recruitment and Retention Funding

Implementation Qs and As

Ministry of Health and Long-Term Care

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Recruitment and Retention in Primary Care Teams

Ontario's interprofessional primary care teams have experienced challenges in recruiting and retaining qualified professionals. This has been the result of local labour market and recipient circumstances in addition to differences in compensation packages between these primary care teams and other health recipients. This is why the Ontario Budget 2016 committed to investing \$85M over three years to enable primary care recipients to begin to effectively recruit and retain qualified employees. This supports on-going efforts in Ontario's health care system to strengthen primary health care to ensure Ontarians receive the right care, at the right time and in the right place.

Recipients eligible for this funding include:

- Family Health Teams;
- Nurse Practitioner-led Clinics;
- Aboriginal Health Access Centres;
- Community Health Centres;
- Interprofessional health providers funded through the 2012 Physician Services Agreement;
- Group Health Centre;
- Nursing Stations; and
- Nurses funded in primary care settings.

Implementation Details

This investment is being implemented over three years, including \$22.2M in 2016/17, \$31.7M in 2017/18 and \$31.7M in 2018/19. Funding is being provided to each recipient, who is to approve a compensation plan for their employees that will address local recruitment and retention challenges and priorities. For example, a recipient in one region of the province may have experienced challenges in recruiting or retaining a particular profession that has not been a challenge in other parts of the province. As such, there may be differences in compensation increases across different recipients and across regions.

Funding Parameters

Although each recipient has flexibility to approve compensation plans that address local challenges, parameters were provided to guide the use of this funding. Parameters require the funding increase to:

- Be applied for the sole purpose of increasing compensation (salaries and benefits) with the goal of addressing recruitment and retention challenges;
- Make best efforts to address the particular needs of professions for which recruitment and retention and internal equity challenges have been most acute (Nurse Practitioners, Registered Dietitians, Health Promoters); and
- Ensure benefits packages (including pensions) are more competitive with those benefits packages found in other health care settings.

Recipients are required to report to the ministry on how this funding increase was used.

Compensation Planning

1. Will the ministry provide direction regarding a standard revised compensation plan template for use by all primary care recipients?
 - A. No. The ministry used the salary grid found in the *Planning Document for 2016-17 Recruitment and Retention Funding* (“*Planning Guide*”) to calculate the total increase in funding, but does not require recipients to use the salary amounts in their revised compensation plan. The *Planning Guide* explains the principles that should be addressed when determining compensation increases, including prioritizing increases for positions (e.g. nurse practitioners) identified by representative associations as having particular recruitment challenges.
2. Will the recipients have the flexibility to take a look at their overall compensation approach (i.e. for the entire HR budget) in making decisions about how to allocate the new funding or will they be limited to making decisions only about the new funding?
 - A. Employers are responsible for determining and implementing their compensation plan to ensure consistency with their HR policies, employment standards, legal obligations to employees, and sound management practice. The plan must also align with the principles outlined in the *Planning Document*. The recruitment and retention funding is a separate line in the budget that is not specific to any position, thereby allowing recipients the ability to address recruitment and retention based on their local circumstances.
3. How will increases affect employees hired on temporary contract (e.g. to cover maternity leave) that have a contracted salary already agreed to? How will it affect the employees on maternity leave?
 - A. Employers should use their HR policies to guide decisions related to contract employees and employees on leaves of absence, including maternity or parental leave.
4. Many FHTs are affiliated with Family Health Organizations (FHOs) that have structured the compensation of FHO-employed IHPs to match that of the FHT employees. FHOs will need to consider the feasibility and cost of preserving internal equity across similar positions. In these situations, can the FHT provide information to the FHO such as the approximate overall percentage increase to salaries (i.e. a percentage increase on total HR budget)?
 - A. Recipients are responsible for deciding what compensation rate information should be shared with affiliated practices and in how much detail, with due regard for protecting the privacy of individual employees.
5. How was the recruitment and retention funding provided to each recipient calculated?
 - A. The following methodology was used to determine the recruitment and retention funding:
 - 1) Determine the difference between the new 2016/17 funding level for each position and the previous benchmarked funding for the position (as per Appendix A in the *Planning Guide*).

- 2) Calculate 2.5% of previous benchmarked funding levels (to determine 2.5% increase for benefits).
- 3) Calculate 22.5% of net new salary (to determine 22.5% increase for benefits).
- 4) The recruitment and retention funding amount will be the sum of steps 1, 2 and 3.

Please contact your ministry representative or PCOInquiries@ontario.ca if you require more details on the calculations.

6. Was the funding allocation methodology used by the ministry different for unionized recipients?
 - A. No. The same funding allocation methodology was used regardless of being unionized or not. The funding methodology was only used to calculate the total amount of funds to allocate to each recipient. Each recipient has the responsibility to determine how these funds are spent, within the framework of the board's compensation policy and in accordance with the ministry's terms and conditions.

Compensation Implementation

7. What does the statement "the recipient must make best efforts to 'prioritize' salary increases for NPs, RDs, and HPs" mean? Must these positions receive certain increases?
 - A. The ministry calculated recruitment and retention funding increases based on specific adjustments for NPs, RDs and HPs in order to address particular recruitment challenges identified by sector associations. The recommendation is to prioritize salary increases for these positions although there is no specific compensation increase required. When determining appropriate compensation increases, recipients may refer to the allocation methodology found in Appendix A of the Planning Guide. If these positions are not prioritized due to local or organizational recruitment/retention efforts, the recipient must report back to the ministry with rationale as to why they were not prioritized.
8. In Appendix A of the Planning Guide, Physician Assistants are not listed. Are they not an eligible position in the funding calculation?
 - A. The Physician Assistant position was included in the overall funding calculation methodology but was erroneously omitted in the final version of the Planning Guide. The funding calculation used for this position followed the same methodology as the Physiotherapist position.
9. Why are certain positions not listed in the Planning Guide? Were these positions excluded from the calculation?
 - A. Some recipients may have positions that are not referenced in the Planning Guide. All positions currently being funded were included in the calculation. For positions which are outside the list included in the Planning Guide (with the exception of Physician Assistants), the ministry used the Registered Nurse position as a proxy.

10. How will funding increases affect employees already receiving benefits above 22.5% (i.e. the Diabetes Education Program (DEP))?
- A. Employers continue to be responsible for setting compensation levels, including benefits, within funding and accountability parameters. If current benefit funding was above 22.5%, then no increased funding was allotted based on benefits through the recruitment and retention calculation.
11. The funding parameters align with the following principles: i) the principle of enhanced equity by taking incremental steps to bridge gaps in internal and market equity, and ii) the principle of recipients having flexibility to make their own decisions to support recruitment and retention. If these two principles are misaligned, which should take precedent?
- A. Recipients have the flexibility to spend the increased funding in order to improve local recruitment and retention efforts.
12. Are performance-based bonuses allowed? Further, if a recipient has vacant positions or has otherwise reduced its total FTE count, can the unused funding be applied to provide performance-based bonuses?
- A. If performance-based bonuses are part of the recipient's compensation plan and fit within the approved HR budget, this would be allowable. However, vacant or under-filled FTE positions cannot be used to fund additional compensation for other positions. Funding is to be allocated for all funded positions within the framework of the board's compensation plan and policies.
13. Going forward, can recipients decide what positions they want? Can an FTE be reduced and used to increase other FTEs as long as the total salaries and benefits remain the same?
- A. This is dependent upon the recipient's funding agreement with the ministry and/or LHIN. FHTs that have qualified for the Accountability Reform Initiative (ARI) can, as long as the change is reflected in the recipient's Programs and Services schedule. FHTs that have not qualified for ARI must consult with the ministry on the changes required. Other non-FHT recipients should consult with the designated contact.
14. Can recipients incorporate/utilize specialist compensation into employee compensation salary and benefit packages?
- A. No. The recruitment and retention funding increases are intended for ministry and/or LHIN funded non-physician health professionals and support employees in team-based primary care settings.

15. How will increases affect employees hired on temporary contracts? How will it affect employees on maternity leave?

- A. Employers should use the existing HR policies to guide decisions related to contract employees and employees on a leave of absence, including maternity or parental leave. Any bonus structures for contracted employees must be built into the recipient's compensation plans that fit within the recipient's approved HR budget.

16. How does the increased funding affect employees who were employed by the recipient as of April 1, 2016 but are no longer with the recipient?

- A. This is dependent upon the employment relationship and may vary from recipient to recipient. This situation should be approached on a case by case basis.

Salary Levels

17. The previous maximum salary benchmarks from the planning document do not match the current compensation levels within our group. How was the allocation methodology used to determine the recruitment and retention increase for our group?

- A. The allocation methodology assumed that all positions were funded at the previous maximum salary benchmark outlined in Appendix A of the Planning Guide. Therefore recruitment and retention funding increases may not be based on actual salaries. Recipients with currently approved positions funded above the new maximum salary benchmark outlined in Appendix A were excluded from recruitment and retention funding calculations. The ministry is no longer providing salary grids or salary maximums.

18. What is the difference in Executive Director (ED) levels, as listed in Appendix A of the Planning Guide?

- A. The funding allocation methodology was applied to each of the three different levels of funding for EDs in certain primary care models. Each board is responsible for establishing the appropriate salary range for the recipient's ED. The complexity of the recipient for which the ED is accountable, along with a review of market competition and available funding inform the development of an appropriate salary range for EDs. A number of factors such as competencies, level and type of experience, education, leadership attributes, and performance should be considered when determining the actual pay rate for EDs.

19. How are regional issues taken into consideration when implementing the compensation increases to ensure pay equity (e.g. northern areas)?

- A. The allocation methodology was designed to permit flexibility when addressing equity issues. Recruitment and retention funding increases were based on approved positions, and did not take into account the geographic location of the recipient.

Benefits

20. How will the funding affect employees already receiving benefits above 22.5%? Will this now be reduced to 22.5%?
- A. The reduction of benefits would not be mandatory. Employers continue to be responsible for setting compensation levels, including benefits, within funding and accountability parameters. If current benefits are above 22.5%, then no increased funding was allotted based on benefits through the recruitment and retention calculation.
21. What happens if we currently pay in lieu of benefits? Would we be able to use the extra benefit money for this?
- A. Yes.
22. If benefits were previously funded at 20% of salary, are recipients required to use that amount for benefits, or can all or part of it be used for salaries?
- A. A recipient's HR budget now has three lines: Salary, Benefits and Recruitment and Retention. The recipients' reconciliation will be at the global level for HR. Recipients have the flexibility to determine how the total HR budget is used and how the combination of salaries and benefits are allocated.
23. Currently CPP, EI, WSIB and EHT take nearly 10% of salary or half of the current benefit level. What would this look like under HOOPP? Would we need to eliminate current benefit plans?
- A. Employers are responsible for determining their compensation plan. The employer can choose whether or not to offer HOOPP, and how to structure their benefits program. HOOPP is aware that employers may have questions about participation in HOOPP and is prepared to provide information to any employers who call them. Employers should contact HOOPP if they intend to pursue that option.
24. Are employees members required to join HOOPP?
- A. Recipients can choose whether or not to offer HOOPP. If a recipient decides to make HOOPP available to employees, the recipient should work with HOOPP to determine how it will be made available to employees.
25. HOOPP requires employees to contribute 9.4% of their base salary. What about employees for which this is not financially feasible?
- A. Recipients must determine the right compensation plan, including benefits, with their employee group.

26. If recipients purchase a benefits package late in the fiscal year and can't make it retroactive to April 1, 2016, how can any unspent benefit dollars be utilized?
- A. The total dollar amount received by recipients is retroactive to April 1, 2016, and each recipient can determine how much is allocated towards benefits and/or pension, and how much is allocated toward salaries. Recipients have the flexibility to use unspent "benefit" dollars toward compensation. Any unspent recruitment and retention funding at the end of the fiscal year will be recovered.

Implementation Process and Timelines

27. Will the recruitment and retention dollars be rolled into the base budget for the next fiscal year?
- A. Yes. This is base funding and will be renewed April 1st as part of the recipient's base budget.
28. Will the retroactive portion of the funding be paid all at once?
- A. Yes. It is expected that there will be a retroactive payment with the first installment, with bi-monthly payments continuing for the remainder of the fiscal year. When these payments begin will be dependent upon the execution of the amending agreement.
29. What are the timelines for recipients to sign back the amending agreement?
- A. The funding letter received by each recipient provides details on how amending agreements are to be executed. If sign back is required it is likely to take 4-6 weeks after the amending agreement is executed for funds to flow.
30. Who should be signing the amending agreement?
- A. A person(s) with the authority to bind the recipient must sign the amending agreement. The recipients' bylaws should specify who can bind the recipient and therefore sign the agreement. The agreement allows up to three (3) signatories, but a recipient may not need the full three signatures to have the amending agreement executed depending on their bylaws. Recipient members with authority to bind the recipient are responsible for approving the recipient's compensation plan and report back to the ministry.
31. When is the report outlining how the funding was implemented due back to the ministry?
- A. The recipient must submit a report to the ministry identifying how the funds were applied to each funded position by January 31, 2017? CHCs will also receive the report template, and will need to submit it to their respective LHINs by the end of Quarter 3 of fiscal 2016/17. All new announced funding for CHCs will need to be included in the CAPS submission. The CAPS submission deadline will remain the same unless otherwise indicated by the CHCs' respective LHIN.

32. Does the ministry approve compensation plans before funding is flowed?

- A. No. Compensation plans do not require ministry approval. All recipients will be required to develop revised compensation plans and report back on how the funding was allocated by the recipients based on these plans.

33. Will the ministry's Planning Guide be publicly available?

- A. The Planning Guide will not be published publicly. It was sent to recipients as guidance only for explaining the methodology used to calculate the recruitment and retention funding received by each recipient.

34. When can recipients expect to hear about increases in Year 2?

- A. The ministry is projecting that an additional \$9.5M will flow in Year 2. Appendix A in the Planning Guide provides a projection of the funding for each position in 2016/17, subject to government approval in the annual provincial budget process. Funding packages to address recruitment and retention in Year 2 will be developed thereafter, in the spring of 2017.

35. When can FHTs and NPLCs expect to receive the annual 2016/17 budget package?

- A. The 2016/17 annual plan packages are currently moving through the ministry approval process.