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**McGUINTY GOVERNMENT GIVES HOSPITALS HISTORIC MULTI-YEAR FUNDING**  
*Additional \$1.75 Billion Over Three Years Will Help Hospitals Plan For The Care Needs Of Their Patients*

TORONTO – The McGuinty government is ensuring better access to better care for Ontarians by investing at least \$1.75 billion over three years in new funding for hospitals, Health and Long-Term Care Minister George Smitherman announced today. It is the first multi-year funding announcement for individual hospitals in Ontario history.

“This is the kind of stable, multi-year funding hospitals have long been asking for, and we have delivered,” Smitherman said. “It will greatly increase their ability to plan for the care needs of their patients, manage their finances and keep their budgets in balance.”

Hospitals will receive \$12.27 billion in operating funding this fiscal year, at least \$12.6 billion for operations in 2006/07, and at least \$13.1 billion in 2007/08. The funding for this year amounts to an increase of \$650 million. Hospitals will receive a 5.1 per cent increase in hospital operation funding over last year.

“Hospitals are a cornerstone of our health care system,” Smitherman said. “They deliver world-class acute care to Ontario patients. More than half a billion dollars in new funding this year will allow them to deliver even better care, meeting the needs of our growing and aging population now and in the future.”

As a result of the hospital balanced budget initiative that the government launched last year, 89 of 154 public hospitals are now projected to balance their books for last year. The government will work closely with hospitals that need more help to improve their financial health and eliminate their deficits by March 2006.

"This kind of multi-year funding is extremely good news for Ontario hospitals, and for Ontarians," said Ken Deane, President and CEO, St. Joseph's Health Centre in Toronto. "It will give hospitals the stability we need to adopt a longer term approach to planning and resource management, which will result in better care for our patients."

The McGuinty government has also improved the process of determining how much funding each hospital receives. In collaboration with hospitals, a funding method was developed that recognizes the unique needs and different sizes of hospitals, how efficient they have been, and whether demand for their services has grown sharply in the past year.

"We are extremely impressed with the funding formula the government has used this year," said Robert Devitt, President and CEO of Toronto East General Hospital. "It is innovative. It is adaptable. And because it recognizes and respects the unique needs of different hospitals, it is fair."

Putting hospitals on stable financial footing is an important part of the McGuinty government's plan for health care – which includes reducing wait times for key procedures, creating Family Health Teams, increasing the number of doctors and nurses, and investing heavily in community-based health care in order to ease the pressure on hospitals and deliver care where patients need it most — closer to home.

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