



## Budgeting Policy

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# NOVA SCOTIA PRESCRIPTION MONITORING PROGRAM

## SECTION I

### BUDGETING POLICY

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#### 1. Policy Objective

The purpose of this policy is to describe the budgeting process, parameters and related reporting for the Prescription Monitoring Board/Program.

#### 2. Policy Statement

As part of the annual business planning process, the Administrator will provide the Board with cost projections for the following business year. These projections will be based on the following:

- The fixed and transaction-based cost structure as per Annex A of Schedule D of the Service Agreement between the Nova Scotia Department of Health and Wellness and Medavie Inc. for the previous year; and
- The flow-through charges for the previous year.

The projections will detail:

- The fixed structure as per Annex A of Schedule D of the Service Agreement between the Nova Scotia Department of Health and Wellness and Medavie Inc. for the upcoming year;
- The transaction-based cost structure as per Annex A of Schedule D of the Service Agreement between the Nova Scotia Department of Health and Wellness and Medavie Inc. with anticipated volumes for the upcoming year;
- Anticipated flow-through charges for the upcoming year; and
- Estimated costs of any additional program initiatives that will require the Board to request funding from the Nova Scotia Department of Health and Wellness.

The Board will review and approve the cost projections as part of its approval of the Annual Business Plan.

On a quarterly basis, the Administrator will provide the Board with:

- Financial reports comparing actual costs with the approved estimates for fixed, transaction-based and flow-through costs.
- An explanation of variances.
- Projections for the balance of the year.

## **2.1 Responsibilities**

The Board is responsible for monitoring the costs of the Program and for ensuring that service delivery obligations pursuant to the agreement between the Board and the Administrator are maximized in the administration and advancement of the Program.

The Administrator is responsible for developing a draft annual business plan and cost projections for review and approval by the Board.

## **3. Legislative Framework**

Section 13 of the Prescription Monitoring Act provides that the "Administrator shall prepare a business plan for the Program in the form prescribed by the Minister for approval by the Board and, on a date fixed by the Minister, the Board shall submit the business plan to the Minister."

## **4. Principles**

The following principles will guide the Administrators financial reporting for the Prescription Monitoring Board/Program:

- (a) The Board should have a good understanding of where the resources allocated to the Program are spent by the Administrator – clarity regarding program costs, and reporting on performance on the part of the Administrator, are essential.
- (b) Sufficient resources will be allotted by the Administrator to ensure achievement of the agreed upon strategic goals and objectives.

## **5. Definitions**

In this policy:

- (a) "Administrator" means the agency or person designated by the Minister to administer the Program, and for the purposes of this policy includes the Manager appointed by the Administrator or any other person employed by the Administrator.
- (b) "Board" means the Nova Scotia Prescription Monitoring Board established by the Prescription Monitoring Act.
- (c) "Director" means a director of the Board.
- (d) "Program" means the Prescription Monitoring Program established by the Board.

## **6. Scope**

This policy applies to:

- (a) the Board;
- (b) the Administrator.

## **7. Accountability**

The Board Chair and the Administrator has responsibility for the ongoing monitoring and enforcement of this policy. They will report on compliance with this policy to the Board at least once per year.

## **8. Challenging Compliance**

Any challenge to the Program's compliance with this policy shall be provided in writing to the Board Chair.