

## Health care escapes B.C. budget cuts

The 2010-11 British Columbia budget was unveiled Wednesday as the euphoria from the Vancouver Winter Olympics still hung in the air.

The sobering news is that for the government to stickhandle its way to budget break-even in three years' time, most ministries will see their budgets capped or decrease, overall expenditures will be kept to less than half of revenue intake, no money will be available for public sector wage increases, and over 10 per cent of civil service positions will be cut.

Health care and education are the only ones to actually see a spending increase over the period, with the Ministry of Health Services getting \$2 billion more. Still, it will not be an easy run. From projected spending of \$14.1 billion in 2009-10, the spending increase in 2010-11 is only 4.7 per cent increase while growing to 6.2 per cent the year after.

And in the third year, the health sector will have to make do with a 2.9 per cent increase if the government is going to hit its budget target.

These general budget parameters also apply to the province's six health authorities who spend the lion's share of the ministry's budget. They are expected to end the current fiscal year with \$9.2 billion in expenditures.

All have had to institute strict cost control measures to balance their budgets after the government warned there would be no extra financial help.

Some health sector unions warned this week that with the new bare-bones budget this will be an on-going state of affairs.

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## Federal budget protects health transfers, little new spending

The good news for health care in Thursday's federal budget was that transfer payments, as previously promised, will not be touched in the government's drive to whittle down its massive \$54 billion deficit to a mere \$1.8 billion by 2014-15.

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### Ontario set to launch new round of health reforms

A Speech from the Throne will be read in the Ontario legislature Monday, the first in over two years, and health care is likely to be front-and-centre.

Canadian Press reported this week that the McGuinty government wants to start a conversation on health with Ontarians, much like British Columbia did almost four years ago. The topic will be how to make the health system financially sustainable.

Finance Minister Dwight Duncan, who will be presenting his new budget later this month, told the Toronto *Sun* that the government is not looking at specific cost-cutting measures to make the health system affordable.

On the other hand, it would appear that the government is not considering any revenue moves either. Premier McGuinty told Canadian Press that he will not be copying B.C.'s move to use all revenues from

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"We will not balance the budget by cutting transfer payments for health care and education or by raising taxes on hard-working Canadians," Finance Minister Jim Flaherty said in his budget speech.

The government had been counselled by some experts to cut transfers as a way to deal with the deficit, as had been done in 1995, but an opinion poll for the Canadian Medical Association this week showed the public thought otherwise.

The Ipsos-Reid survey found that while two-thirds of Canadians supported the idea of reduced spending on government programs to deal with the deficit, only 16 per cent approved of extending this to health care.

Equalization payments to the have-not provinces, which are another source of revenue for health care, were also left untouched in Thursday's budget.

But there was little else in the budget in terms of additional funding for health care. The \$612 million Patient Wait Times Guarantee Trust, helping the provinces and territories set a guaranteed maximum wait time for at least one priority procedure, lapses at the end of this month. It is not being renewed.

First Nations will be pleased that the government is providing \$285 million over two years to renew five aboriginal health programs, including the Aboriginal Diabetes Initiative.

The three territories will also be relieved that the government is con-

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tinuing the Territorial Health System Sustainability Initiative, at least for now. The budget provides \$60 million to extend the pact for another two years.

There was also money in the budget for research and development, including \$10 million to support clinical trials on the use of medical isotopes in clinical practice.

Last year's budget had provided Canada Health Infoway with \$500 million to continue its work on electronic health records. This money got held up by "due diligence" activities, and there were fears that it would be another budget casualty. However, the new budget said this money will be forthcoming, and is being booked in the 2009-10 fiscal year. **HE**

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the new Harmonized Sales Tax for health care.

One new approach that is on the table, according to a front-page story in the *Toronto Star* Thursday, is introducing activity-based funding for hospitals. This pays them a certain price for actual services delivered and embodies the principle of "the money following the patient." The idea is that there will be healthy competition between facilities to offer the best results and lowest wait times to get the patient business and the funding.

The *Star* says the government believes it can save 10 to 20 per cent of its hospital budget using this model, or somewhere between \$1.8 billion and \$3.6 billion.

Alberta plans to bring in activity-based funding for seniors' care on April 1, at the start of the 2010-11 fiscal year, and apply it to all acute-care patients next year. A recent report by three economists advising Quebec's finance minister on the new budget also suggested that this model was worth a look. **HE**

## *Hansard*     *Highlights*

Debates in provincial legislatures and House of Commons

In the Speech from the Throne which opened a new session of the **House of Commons** Wednesday, the government said it will not balance the nation's books by cutting transfer payments for health care and education. "These are simply excuses for a federal government to avoid controlling spending," it said. Among other things, the government is imposing a freeze on departmental operating budgets, including civil service salaries, and will be "aggressively" reviewing all spending "to ensure value for money and tangible results."

Anticipating the prorogation of the **Ontario** legislature Thursday, and the opening of a new session with a Speech from the Throne on Monday, the Opposition has been peppering the government with questions about commitments in past speeches. On Wednesday, Progressive Conservative Health Critic Christine Elliott asked about the status of the prom-

ised Diabetes Registry, that will track how well patients are being cared for and produce reminders on when tests are due. Implementation was promised last spring but it is still not available. Premier Dalton McGuinty said the registry "is not an easy thing to do" but it is something "we will continue to work on."

In the **British Columbia** legislature Wednesday, Health Minister Kevin Falcon was asked about surgical services at the Kootenay Boundary Regional Hospital in Kamloops. Physicians are protesting cuts to the surgical program. Mr. Falcon acknowledged that operating room time has been reduced, but he said wait times at the hospital for a number of important procedures are shorter than most other places. "So the adjustment that's being made in OR times will move it up to the provincial average. It will still be better than comparable facilities and hospitals in the region."

### Saskatchewan pharmacists get prescribing authority

Coinciding with national Pharmacy Awareness Week, Saskatchewan has announced its intention to expand pharmacists' prescribing authority.

Allowing all health professionals, including pharmacists, to have full scope of practice consistent with their training was a recommendation of the Patient First review of the health system last year.

However, Saskatchewan pharmacists have been lobbying for the change for some time and their professional college had actually proposed the regulatory amendments which the government will be making to the *Pharmacy Act*.

The changes are expected to take effect this summer and will give pharmacists the ability to extend refills and provide emergency supplies of pre-

scription drugs.

This does not go as far as some jurisdictions have gone to give pharmacists more autonomy in making prescribing decisions, but Health Minister Don McMorris told the *Regina Leader-Post* the new changes are the foundation "for future expansion."

Ray Joubert, the registrar of the Saskatchewan College of Pharmacists, told the *Leader-Post* the model is built on interprofessional collaboration with physicians. The province's medical association is on side with the changes unlike its counterparts in some other provinces.

Meanwhile, the Order of Quebec Pharmacists used the occasion of Pharmacy Awareness Week to also make the case for expanding scope of

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**Hugh MacLeod is the new CEO of the Canadian Patient Safety Institute.** He was formerly the Assistant Deputy Minister, Health System Accountability and Performance at the Ministry of Health and Long-Term Care in Ontario. (News release) ... **Dr. John Haggie is the choice of Newfoundland and Labrador physicians to be the next president-elect of the Canadian Medical Association** following Dr. Ian Turnbull who takes over as CMA president at the association's annual meeting this August. It is Newfoundland and Labrador's turn to nominate the next president, although the choice has to be endorsed by delegates at the August meeting in Niagara Falls. Dr. Haggie is a general and vascular surgeon from Gander. (*St. John's Telegram*, Feb. 27)

**A health-care ombudsman for Saskatchewan will not be named for at least another year.** The creation of this post was an election promise by the Saskatchewan Party government in 2007, but has fallen victim to spending constraints. The health-care ombudsman, when this person is chosen, will be part of the existing provincial ombudsman's office. Until then, the latter will continue to investigate health sector complaints. About 100 are received annually. (*Saskatoon Star-Phoenix*, Feb. 26)

**Alberta Health Services is opening new support units to take the pressure off emergency departments.** It opened a 12-bed Medical Assessment Unit (MAU) at Rockyview General Hospital in Calgary this week. A similar unit will open at Royal Alexandra Hospital in Edmonton in May. Patients who require admission to hospital will be transferred to an MAU after they have been assessed, instead of waiting in the emergency department. Treatment by non-ED physi-

cians will continue in the MAU to determine and begin the patient's care. (News release)

**The problem with Montreal's overcrowded emergency departments will be solved in 4-5 years,** Quebec Health Minister Yves Bolduc said last Friday. Dr. Bolduc said the situation has already been improved by moving 100 of 300 patients taking up hospital beds while waiting for a place in long-term care. However, this week the agency which oversees health care delivery in the Montreal region asked hospitals to defer elective surgeries to make use of all available beds. (*Gazette*, Feb. 27; *La Presse*, Mar. 3) ... **The use of nurses from private agencies in Quebec is not that expensive,** according to a study by one of these agencies, Urgence Médicale Code Bleu. It says agency nurses used by hospitals cost the system \$55.03 an hour compared to \$50.22 for staff nurses, but all other human resource overhead costs are covered by the agency whereas they are extras in the public health system. The government has frowned on hospitals' increasing reliance on agency nurses to plug shift vacancies. However, this week another agency, Médic-Or, launched a new division supplying critical care nurses to work in intensive care units. (News release; *Le Devoir*, Mar. 4)

**A Winnipeg businessman plans to open a private clinic staffed by nurse practitioners.** These nurses are not covered by the *Canada Health Act*, and as such will not violate any laws by providing primary care services to paying clients. Daren Jorgenson, who made his money in the Internet pharmacy business selling cheap Canadian drugs to Americans, expects to open the clinic in Charleswood, a suburb of Winnipeg, this spring. Health Minister Theresa

Oswald told CTV the government will not challenge Mr. Jorgenson. "We're not going to expend energies on going to war with individual proprietors of facilities." (Canadian Press, Mar. 3; *Winnipeg Free Press*, Feb. 27)

**Alberta is considering health report cards for elementary school children** to tackle unhealthy lifestyles and soaring obesity rates. Health Minister Gene Zwozdesky wants to hold consultations on the idea of a health and wellness checklist, but would prefer this to be part of a national agenda. Dr. Raj Sherman, his parliamentary secretary, told the *Calgary Sun* the concern about health system sustainability has been too focused on the costs of seniors' care and not enough on children. He described the issue of youth obesity as a "ticking time bomb." (*Calgary Sun*, Feb. 26)

**The next stage in overhauling medical education in Canada is getting some help from Ottawa.** It is providing \$1.6 million to the Association of Faculties of Medicine of Canada over the next three years to review postgraduate medical education. The association released a report on a new vision for undergraduate medical education in January. (News release)

**New Brunswick is removing the three-month waiting period for medicare coverage** for new immigrants as well as returning Canadians who have been out of the country for longer than six months. (News release)

### How do you like our new look?

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Health Services Minister Kevin Falcon acknowledged that more culling of non-core health services is in the cards. "If we continue to be all things to all people, all the time, at all costs, then the system will just collapse under the weight of its own excess and inefficiency," he told reporters Wednesday.

In 2010-11, total health spending is projected to consume 42 per cent of government expenditures. In the new budget, it was announced that five revenue streams will be dedicated to subsidizing health care.

These are the new Harmonized Sales Tax, to be introduced July 1, as well as all tobacco taxes, health premiums, lottery revenues dedicated to the Health Special Account and health transfers from the federal government. In 2010-11 these will cover 61 per cent of the total, rising to 70 per cent by 2012-13.

The budget promised legislation in the coming weeks requiring the Minister of Finance to report annually on planned spending in relation to these revenue sources and the size of the shortfall.

But critics of the government, and most media commentators, think the government's real motive is to try and sell the vastly unpopular Harmonized Sales Tax as a health tax.

Finance Minister Colin Hansen has defended the move, saying it is important to make a connection between how services are funded and how they are delivered. Premier Gordon Campbell reinforced this point Tuesday.

"I think it's really important for people to understand that the costs of our health-care system are staggering," he told reporters.

Also contained in the health budget is \$260 million over two years for additional innovations "that improve patient choice and reward performance in health care delivery." **HE**



## Editorials & Commentary

### Call to action on e-health

An editorial in the *Canadian Medical Association Journal* (March 1) says Canada is a "laggard" when it comes to implementing electronic records. It says the country has relied solely on "weak inducements" to get providers to adopt electronic records, and future inducements will invariably fail to get blanket buy-in. It said it is time to change the approach. It endorses CMA President Anne Doig's goal of having every physician using electronic records by 2011. "Physicians should use their political leverage to push for an implementation strategy that will meet their concerns and put them on the information highway," with funds available to help physicians implement and sort out software concerns. "Given the ongoing threats to patient safety, it is critical that our medical and political leaders set timely targets for universal adoption of electronic health records for all health professionals, especially in primary care. Unfortunately, mandating the use of electronic health records may be the only way to avoid long delays," it says.

### Surgical checklists

The *Windsor Star* (Feb. 26) says the fact that Ontario is introducing a

32-point surgical safety checklist April 1 is "welcome news" after recent events in the region where two women received unnecessary mastectomies. There are multiple investigations underway into the incidents, concerning the surgeon who did the two procedures as well as the quality of pathology services in the area. The *Star* says the more that is known about the events "the more obvious it becomes that we actually know very little about how the (health) system works" and there is a need for "a consistent, universal set of rules." The *Ottawa Citizen* (Feb. 27) likewise finds the introduction of the checklist to be timely. "Whatever the explanation for the errors, the Windsor horror makes clear that safeguards need to be implemented to limit the damage that any individual health worker can do," the editorial says.

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practice. It proposed three inexpensive ways to give Quebecers better access to care: allow pharmacists to extend a prescription to avoid an interruption in treatment; permit pharmacists to start patients on anti-smoking therapy; and give pharmacists the authority to adjust medication dosages for patients with chronic diseases.

On the last point, the Order said pharmacists are ideally placed to take

the blood pressure of patients with hypertension and make any necessary changes to their drug therapy. This would give physicians more time to work with patients who do not have their hypertension under control.

It noted that in the Beauce region of Quebec, a team of pharmacists has set up a clinic to work with 850 patients on anti-coagulant therapy. It said this has freed physicians from some 2,600 hours of work which they can devote to other priorities. **HE**