

NL health spending up 11 per cent in 2010-11

Newfoundland and Labrador has provided the Department of Health and Community Services with a budget increase of almost 11 per cent in 2010-11 even as the province is set to take on a \$195 million deficit.

The Williams government budget tabled Monday lifted the department's spending to \$2.7 billion. The health care sector is expected to consume over 37 per cent of total expenditures in the new fiscal year.

The government is also putting \$209 million into health care infrastructure in 2010-11. This includes site preparations for a PET scanner, the province's first.

Highlights of the budget include \$5 million to continue implementing the recommendations of the Commission of Inquiry into faulty breast cancer hormone receptor testing, and \$1.1 million to open more operating rooms in the Eastern Health region in St. John's to decrease wait times.

Home support subsidies are going up, as are subsidies for personal care homes. However, the head of the Personal Care Home Association told the *St. John's Telegram* the \$73 monthly increase per resident does not even cover the increase in the minimum wage for workers.

The new budget also provided funding for recent upgrades to the air ambulance program, and bumped up the travel allowance for patients who have to get treatment in regional centres.

As of October 1, they will get 16 cents a kilometre for the use of their private vehicle if their travel exceeds 5,000 kilometres over a 12-month period. **HE**

Quebec considering health-care user fees

Quebec is considering a bold move to charge patients a user fee for each medical visit. Under the *Canada Health Act*, user fees for medically necessary services are banned.

The new Quebec budget tabled Wednesday said new sources of

revenue are needed to keep increasing health care spending by five per cent a year – which is the planned rate of growth for 2010-11.

The government has received a lot of advice, from reports it has commissioned over the past several years, to deal with the funding gap between health care's financial needs and the government's ability to pay.

The last report, produced in 2008 by a three-person group headed by Claude Castonguay, proposed the implementation of a \$25 charge per medical visit.

Up to now, the government has shied away from these controversial ideas. But with the \$28 billion budget of the Ministry of Health and Social Services taking up nearly 45 per cent of total program spending, Finance Minister Raymond Bachand said the government has come to the realization that it has to act now before it reaches a projected two-thirds of the total by 2030.

"The subject is not an easy one. Tempers are quick to fray when changes are proposed to our health system. Opinion too often takes a back seat to dogma. However, the time has come to move on to a new stage," he said in his Budget Speech.

He added that the deductible would encourage Quebecers to make rational use of health care services, and use ones that are the most appropriate in the circumstances.

Health Minister Yves Bolduc explained to reporters afterwards that

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Study looks at out-of-province hospitalization

Some 50,000 patients travelled to another jurisdiction in Canada for hospital care in 2007-08, the Canadian Institute for Health Information reported this week. One-in-four cases involved childbirth.

While out-of-province or territory cases represented only two per cent of all hospitalizations, there were big variations across the country. Alberta was the most common destination for patients – accounting for 25 per cent of the total, with Ontario second at 20 per cent.

Understandably, the three territories generated the most traffic. Fully 58 per cent of hospitalizations for Nunavut residents were out-of-territory, considerably more than Yukon (21 per cent) and Northwest Territories (18 per cent). In the recent Nunavut budget, over 27 per cent of the \$175 million health budget was just for medical travel.

The study, *Have Health Card, Will Travel*, can be found at www.cihi.ca.

HE

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the fee could differ depending on whether people go to an ER or a doctor’s office, or if they see a nurse rather than a doctor.

Because the deductible is aimed at re-orienting how people seek medical care rather than rationing their access, the government reasons that it will not run afoul of the *Canada Health Act*. Furthermore, by ensuring it does not exceed one per cent of family income the government claims disadvantaged groups will be protected.

The government plans to work with stakeholders in the coming months to study how other countries have implemented a deductible, and will open talks with Ottawa on how Quebec’s version may impact the *Canada Health Act*. But Mr. Bachand told a news conference after the budget that Quebec is determined to move ahead with the idea.

Most major stakeholder groups in the health sector were quick to express their reservations about the user fee, although the federation representing specialists (FMSQ) was pleased. “The government has put an end to the open bar mentality in the health care system,” FMSQ President Dr. Gaetan Barrette told the *Montreal Gazette*.

The deductible is not the only initiative the government has in mind to raise money. Beginning July 1, it will be collecting a health premium as British Columbia and Ontario are already doing. The premium will apply to all adult Quebecers except those in low-income groups, starting at \$25 per adult in 2010, rising to \$100 in 2011 and \$200 in 2012. It will collect \$180 million this year and \$945 million in 2012.

Between the user fee and the premium, the government could rake in as much as \$1.4 billion a year which would put less strain on general revenues to support health care. The

Hansard Highlights

Debates in provincial legislatures and House of Commons

On Monday, the **Saskatchewan** government announced that some out-patient surgeries and MRI/CT scans would be farmed out to private clinics as part of its plan to reduce surgical wait times. That day, in the legislature, Health Critic Judy Junor asked Health Minister Don McMorris if “this is just part of his plan to privatize the health system and move to a two-tier system.” Mr. McMorris dismissed the suggestion. “When a person is put into an ambulance here in Regina or Saskatoon, they could care less whether it was private. They want quick response and they want quality response.” He noted that ambulance services in Saskatoon are privately operated while they are publicly operated in Regina. The next day, NDP Leader Dwain Lingenfelter opened up Question Period by asking the health minister to explain his comment. “Is his government so out of touch with the reality and the public of Saskatchewan that he believes that he

can privatize medicare and get away with it in this province?” Mr. McMorris stood by his remarks of the previous day, and Premier Brad Wall reminded the Opposition Leader that the NDP had indicated an openness to a larger role for the private sector when it was in power.

In the **Ontario** legislature this week, the Opposition has criticized the government for delaying a statutory review of Local Health Integration Networks (LHINs). It was due to start this month, but has been put off for two years. Premier Dalton McGuinty explained that all the responsibilities the government has wanted LHINs to take on, “they have yet to take on” such as long-term care (which is scheduled to happen this July). The Opposition accused the government of delaying the review to hide their use of untendered contracts which would break the government’s new accountability rules. The health minister said no rules are being broken.

money raised would be allocated to institutions based on their productivity and health outcomes.

The government is also planning an all-out effort to improve the health system’s efficiency.

Despite legislation mandating health institutions to balance their budgets each year, deficits continue – in the order of \$175 million a year.

In 2009-10, the government assumed the \$1.6 billion-plus in debts the institutions had accumulated. It wants them to achieve break-even on an annual basis by 2013-14 by progressively bringing down their deficits.

To help them do this, the government will be instituting financial incentives to improve performance and encouraging the use of Lean management approaches that have been used

by automobile manufacturers to bolster productivity. There are Lean management projects already in place in Quebec and other parts of the country.

The government will also be accelerating its program to bring in electronic health records, and reviewing the governance structure in the health network. Quebec has a complex arrangement of 18 regions or agencies overseeing 95 local area networks.

All of these measures are described in a 62-page document tabled by Mr. Bachand, containing the government’s policy directions for the performance and funding of the health system. An English version can be found at www.budget.finances.gouv.qc.ca/Budget/2010-2011/en/documents/MoreEfficient.pdf. **HE**

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Some jurisdictions have not lived up to their commitment to have wait-time guarantees in place by March 31, 2010, the Wait Time Alliance says. The WTA, a consortium of 14 medical organizations, says Alberta and the three territories have either not implemented a guarantee as promised, or have not provided enough information for it to be confident that a guarantee is in place. Some other jurisdictions have provided guaranteed wait times that exceed agreed-upon benchmarks for what is medically acceptable. For example, British Columbia, New Brunswick, Nova Scotia and Prince Edward Island have guaranteed radiation therapy within 8 weeks when the benchmark is 4 weeks. The WTA says three provinces have care guarantees in place that do match the established benchmarks: Saskatchewan for cardiac bypass surgery (2-26 weeks depending on level of urgency), Manitoba for radiation therapy (4 weeks) and Quebec for joint/cataract surgery (6 months). Ontario's 26-week guarantee for cataract surgery exceeds the 16-week benchmark. The provinces and territories received \$612 million in the 2007 federal budget to have wait time guarantees in place for at least one priority procedure by 2010. (News release and backgrounder at www.waittimealliance.ca)

Negotiations in Quebec between the government and unions representing 475,000 public sector employees have entered a critical stage. All contracts, including those with nurses and hospital workers, expired on March 31 and both sides are looking for a deal in the first week of April. Nurses had broken off contract talks late last week in protest of concessions the government was after. These demands have since been dropped and negotiations have re-

sumed. Nurses are after improvements in working conditions, including a four-day, 36.5-hour work week and an end to mandatory overtime. *La Presse* reported last week that the number of overtime hours worked by Quebec nurses jumped 30 per cent between 2004 and 2009. (*Gazette*; Mar. 30; *La Presse*, Mar. 26; cbc.ca)

Canadians have improving opinions of the state of health care, a February 2010 Strategic Counsel survey for Health Canada has found. The survey of 1,750 adults found 44 per cent rate health care as good or excellent, seven percentage points higher than in 2007 and 20 points higher than in 2004. However, 43 per cent believe major changes are needed to the system and just seven per cent say only few changes are required. (Canwest News, Mar. 28)

One-in-three South Asian, West Asian or Arab women in Ontario say they have trouble accessing a doctor to address an urgent health concern or to monitor health problems, a study (Project for an Ontario Women's Health Evidence-Based Report or POWER) by the Institute for Clinical Evaluative Sciences and St. Michael's Hospital in Toronto has found. More than 50 per cent of adults from these ethnic groups say they are not satisfied with their ability to get a doctor's appointment for a regular check-up. (News release at www.ices.on.ca. Click on Media Room.) ... **Canada needs more medical students from rural and low-income areas,** the Canadian Federation of Medical Students (CFMS) told Members of Parliament in Ottawa this week. The organization is encouraging the federal government to follow the example of Australia and the U.S. who provide financial incentives to medical schools to increase enrolment of rural and low-income students. (Canwest News,

Mar. 29)

Nova Scotia wants to expand the role of pharmacists. Amendments to the *Pharmacy Act* introduced Monday will allow pharmacists to order and interpret lab tests to monitor drug therapy. They will also be authorized to administer drugs, including vaccines, and community pharmacies could be designated as vaccine clinics in the event that a mass immunization program is needed. (News release at www.gov.ns.ca/news/results.asp?deptnum=13)

New Brunswick has gained 81 family physicians and 88 specialists since October 2006, Health Minister Mary Schryer said Friday. She also pointed to a survey finding from Statistics Canada that 91 per cent of New Brunswickers have regular access to a family doctor. However, the president of the province's medical society says this does not square with ERs and walk-in clinics being jammed with people who do not have a regular doctor. In the Fredericton area alone, there are more than 2,700 people looking for a doctor. (*Moncton Times-Transcript*, Mar. 27) ... **New Brunswickers can now access the Tele-Care health help line by dialing 811.** Tele-Care has been in operation since 1995 and the government estimates that the service helps avoid more than 15,000 unnecessary ER visits a year. (News release at www.gnb.ca/cnb/cnbnews/department-e.asp?ID=35)

The PEI registered nurses' union is concerned about the province's Model of Care initiative which will soon be showcased at five facilities across the Island. It says vacant RN positions are being replaced with licensed practical nurses and patient care workers. However, officials say the change will allow RNs to take on more assessment duties. (*Charlottetown Guardian*, Mar. 30)

Uncertainty remains about Ontario health budget

The Ontario budget last week gave hospitals a 1.5 per cent increase in base funding, and the Ontario Nurses Association says Ontarians should be bracing themselves for more service and nursing cuts.

The Ontario Health Coalition is also alarmed by the small increase, and says hospital funding has fallen behind the rate of inflation for the third year in a row.

Hospitals have received increases of 2.4 and 2.1 per cent in the last two fiscal years. This year, before the budget, the government had said the most hospitals could count on was two per cent.

But the Ontario Hospital Association believes it is too early to assess the impact of the new budget on hospital services.

While it is concerned that the government did not increase base funding by two per cent, it says there are other potential sources of money including wait-times and other specialized funding allocations. This level of detail is yet to be provided although the budget documents did refer to annual growth of 4.9 per cent for the hospital sector's expenses.

The OHA notes that the budget did not provide any information on community-based care which would help hospitals with their capacity issues. In recent years, there has been a deliberate attempt to deal with alternate level of care patients – seniors occupying a hospital bed while waiting for a place in community care.

The Ontario Association of Non-Profit Homes and Services for Seniors says there were very few explicit funding commitments for long-term care homes in the budget.

However, the Ontario Long Term Association says its understanding is that the government will come through with extra funding to address increasing cost pressures. **HE**



Editorials & Commentary

Making health care affordable

This past weekend, the Liberal Party of Canada held a “thinkers’ conference” to provide input on the party’s platform for the next election. Former Bank of Canada Governor David Dodge told delegates that something needs to be done about health-care sustainability. He said there are four options: to impose or increase dedicated health-care taxes or levies; reduce the number of services covered by medicare thereby obliging people to buy private insurance; introduce significant “co-payments” or user fees; or, to allow two-tier medicine. “There is no magic solution, and we absolutely must have an adult debate about how we’re going to deal with this,” he said. (Canadian Press, Mar. 27)

Approaching storm

The *Globe and Mail* (Mar. 27) says the question of medicare’s sustainability will soon hit Canada head on when the 10-year, \$41 billion health accord expires in 2014. “A system that has grown used to a steady inflow of cash has only a short time to prepare for the flow to be shut down. If it can’t, or

won’t, find more efficiencies and bring in more innovation (including some private care on the public tab), its basic principles will have to be redefined.”

Using private clinics

The *Regina Leader-Post* (Mar. 31) comments on the controversy surrounding the Saskatchewan government’s plan to use private clinics to bring down surgical wait times even if the public sector will continue to pay the bill. “What’s important is the payment source: a publicly funded system in which all Saskatchewanians have access to good care without being financially drained. Speedy care must trump politics and issues of ownership.”

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Saskatchewan tables surgical improvement plan

On Monday, Saskatchewan unveiled a plan to keep its promise that, in four years, no one will wait more than three months for elective surgeries.

The plan, put together by a committee of experts and patient representatives, is bankrolled by a \$10.5 million fund in the recent budget. It will add 3,000 additional surgeries and 2,500 additional CT scans, among other things.

But the aim is not only to reduce wait times but to make fundamental

improvements to surgical care, according to Health Minister Don McMorris.

The 25 initiatives in the plan include a surgical referral website for patients, standardized safety checklists in operating rooms and contracting of third-party surgical care to increase the province’s surgical capacity.

A copy of the plan – *Sooner, Safer, Smarter* – can be found at www.health.gov.sk.ca/saskatchewan-surgical-initiative. **HE**