Canada's Health Newsweekly
HealthEdition
June 11, 2010 — Compliments of Merck sponsor since 1998 — Vol. 14 No. 23

Ontario finalizes drug plan reforms, few changes made

On July 1, Ontario pharmacists will have to live with a drastic reduction in the revenues they receive through the public drug plan, and they are warning customers to brace for service cuts and fee increases for private-paying customers.

The government finalized controversial changes to the drug plan Monday, going ahead with the abolition of professional allowances which are rebates pharmacists receive from manufacturers on the cost of generic drugs purchased through Ontario's Public Drug Program. It is estimated that the amount paid by manufacturers on these professional allowances adds up to $750 million a year.

Hand-in-hand with this policy move is a cap on the prices of generics at 25 per cent of the brand – a deeper discount than any other province has yet made, although the government has made some exceptions to this rule.

When the government announced its proposed changes in April there was considerable backlash from the pharmacy community which warned that some pharmacies would be forced out of business and services to customers would be severely curtailed.

A massive public relations campaign was launched to force the government to back down, but the finalized strategy only contains some relatively small changes.

"Despite the fact that Big Pharmacy opposed our changes with one of the most politically charged, American-style PR campaigns in this province's history, I can tell you that our resolve has never wavered," Health Minister Deb Matthews told a news conference Monday.

In addition to a $150 million fund

(See "**Drug**" on page 2)

In This Issue:

- *Layton outlines NDP health platform..4*

B.C. lifetime prevention plan promoted

British Columbia is being urged to create a lifetime prevention plan for patients to leverage the considerable benefits, in terms of health outcomes and cost-savings, of preventive medicine.

In a policy paper this week, the B.C. Medical Association says years of research have shown what clinical prevention services can accomplish. It points to childhood immunization and smoking cessation programs as two ready examples. Studies have also shown that those who follow a healthy lifestyle can reduce their chances of contracting chronic diseases by upwards of 80 per cent.

The medical association says the government should be funding certain proven clinical prevention activities as part of the lifetime prevention plan (LPP) that are identified by a multi-stakeholder working group based on best practices and the "best available scientific data." Even then, the list would have to be culled given the heavy demands on physicians' time.

"Offering all of them to patients presents an enormous challenge to providers, since these additional 'necessary' services compete with an already overloaded menu of services offered. As the number of recommended prevention strategies grows with each passing year, providers find themselves with less and less time to implement them," the report says.

The BCMA says physicians are in the best position to coordinate the lifetime prevention plan, but it acknowledges the value of other profes-

(See "**B.C.**" on page 2)

User fee idea divides Canadians, poll finds

Canadians are divided on the notion of charging user fees for medical visits. This has become a hot subject after Quebec floated the possibility of introducing a "deductible" for each medical visit, perhaps $25, in the recent provincial budget. The government has been at pains to say the deductible is only a proposal it wants to discuss with Quebecers.

An Ipsos-Reid survey this week found 44 per cent of Canadians are willing to accept a system that would "deter overuse of the healthcare system by charging a $25 user fee for visits to the doctor, with exemptions for low-income groups," while 56 per cent were against.

There were similar polarized views on other revenue-building ideas such as a health-care benefit tax as part of the Income Tax structure (43 per cent) and pre-funding future health care costs through paycheque contributions similar to the Canada Pension Plan (42 per cent).

(See "**Poll**" on page 4)

("Drug" from page 1)
to pay for additional professional services to patients, the government is offering pharmacists $75 million in transition fees. This amounts to $1 extra on each prescription to next April dropping steadily to zero by the start of the 2013-14 fiscal year.

Dispensing fees are also going up by a dollar to $8 for prescriptions filled through the public drug plan; pharmacies in small communities will get up to $12 a prescription depending on how far they are from another pharmacy.

There are no rules in place for how much pharmacies can charge private-paying customers for dispensing fees and these are slated to go up quickly to at least partially offset the revenue loss.

"Our ways to increase revenues are few and far between, and dispensing fees is one of them. We'll probably see that rising over the next few months," Dean Miller, chairman of the Ontario Pharmacists Association told Canadian Press.

More information at www.health.gov.on.ca/en/public/programs/drugreforms/min_communications.aspx. *HE*

("B.C." from page 1)
sional involvement as well as the patient being a critical "partner" in the process.

The report suggests that the new services be covered via dedicated, negotiated funds administered by existing BCMA-government committees who would also be well-placed to get physician buy-in.

It suggests that physician incentive payments be part of the funding mix since both the association and the government have learned from past experience that "behavioural change is impossible" without them.

The paper, *Partners in Prevention*, can be found at www.bcma.org/files/Prevention_Jun2010.pdf. *HE*

Hansard Highlights

Debates in provincial legislatures and House of Commons

Bill 46, **Ontario's** *Excellent Care for All Act*, was passed last Thursday when the legislature also adjourned for the summer. In her speech introducing third reading debate, Health Minister Deb Matthews said the bill will result in positive changes in the health sector. "From now on, the focus will be on better care delivery, leading to better patient outcomes, and smarter use of resources thanks to a culture of quality and value within the health system."

One of the cornerstones of the bill is the obligation of hospitals to create quality improvement plans, and tying executive compensation to achieving results in those plans.

Progressive Conservative MPP Elizabeth Witmer, a former health minister, said her party supports the bill, but she said it is "certainly not going to be the answer to all of the problems that are plaguing our health system today." She said the bill is a "small step" forward but involves "a lot of paper reporting of different measurements and best practices." NDP Health Critic France Gélinas said the bill has the potential to do great things, but a lot will be determined by the regulations and implementation plan the government puts in place.

In **Quebec's** National Assembly Tuesday there was consideration of the report by the Health and Social Services Committee of Bill 67 which creates a new agency, the Institut national d'excellence en santé et en services sociaux (INESSS). It is patterned after the National Institute for Health and Clinical Excellence in the U.K. and was a key recommendation of the Castonguay report in 2008.

INESSS will amalgamate the existing Conseil du médicament which provides advice on new drug listings and the Agence d'évaluation des technologies et des modes d'intervention en santé (AETMIS) which is responsible for health services and technology assessment.

In his speech, Health and Social Services Minister Yves Bolduc said INESSS will help clinicians and health-care managers with the "complex decisions raised by technological change, the evolution of knowledge and the changes needed in the health and social services sector" not the least of which is ensuring that resources are used in an optimal fashion.

Parti Quebecois Health Critic Bernard Drainville said modifications to the bill have convinced him and his party to support it. This includes measures to protect personal health information handled by the new agency, a delineation of responsibilities of the agency vis-à-vis the Quebec health commissioner, and the continued requirement of the agency to consult with professional organizations on the listing of new drugs. However, he is concerned the agency will be reporting to the minister and may not have the necessary independence to do its job well.

Bill 67 is set to pass before the summer recess Friday. The government is also determined to pass Bill 100 which contains new budget measures including a health premium and a mandated 10 per cent cut in administrative costs in the public sector, including hospitals.

In the **Manitoba** legislature Monday, wait times for hip and knee surgery was an issue raised in question period. Health Minister Theresa Oswald said the median wait time is 18 weeks. "That's down almost 60 per cent from 44 weeks when we announced our plan to decrease wait times in 2005," she said.

.. Briefly .. *News Shorts* .. Briefly .. *News Shorts* .. Briefly

Judith Shamian is the new president of the Canadian Nurses Association. She was installed in the post at the CNA's biennial convention in Halifax Thursday. She is currently president and chief executive officer of VON Canada. (News release)

Canada's experience with H1N1 should not be used as a yardstick for future pandemic preparedness planning, concludes a national roundtable sponsored by CSA Standards on what worked and what did not during the outbreak. Experts attending the roundtable said the existence of multiple pandemic preparedness plans caused tremendous confusion among front-line workers, and there was also much confusion about who met the criteria for priority access to the H1N1 vaccine. They also suggested the creation of a federal/provincial/territorial body to coordinate communications next time around. The report can be found at www.csa.ca/cm?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1241708779869&ssbinary=true

Health-care costs for patients in just the first six months after they have a stroke is more than $2.5 billion a year in Canada, according to the Canadian Stroke Network's *Burden of Ischemic Stroke* (BURST) study. The direct and indirect health-care costs for new stroke patients average $50,000 in the six-month period following a new stroke. Costs rise dramatically as levels of disability increase. While at least 80 per cent of costs during the first six months post-stroke are health-system costs, families take on a greater proportion of stroke-related expenses, including those associated with caregiving, transportation, and lost income, beginning at the seventh month post-stroke and beyond. People with non-disabling strokes (about 25 per cent of patients) personally spend about $2,000 during the first six months. Costs increased to as much as $200,000 for the most severely affected. (News release at www.canadianstrokenetwork.ca)

Saskatchewan has launched an online "Specialist Directory" that helps patients work with their family doctors to choose the most appropriate surgeon. The website at www.health.gov.sk.ca/specialist-directory allows the public to see surgical wait times for each surgeon currently practising in the province. About 80 per cent of surgeons listed in the directory also provide specific information about their practices, such as average wait times for a consultation and procedures they perform. (News release)

Canadians like the idea of online contact with their doctor. A survey by Ipsos Reid has found that 28 per cent of Canadians who are conversant with Internet technology would prefer to have the first visit with their doctor via email, text messaging or webcam. The idea particularly resonated (not surprisingly) with younger respondents in the 18-34 age category. New information technologies are pervading the health sector. This week, the University of Calgary medical school announced the creation of the Clinexus Initiative, funded by the Alberta government, to help companies bring new information technologies to the marketplace. (Ipsos News release at www.ipsos-na.com/news-polls/pressrelease.aspx?id=4807; *Calgary Herald*, June 10)

The cost projections for building two new Montreal superhospitals using public-private partnerships are inaccurate, Quebec's auditor general says in his second report this year on the subject. The projects involve two hospitals affiliated with the city's medical schools: McGill and Université de Montréal, plus a research centre attached to the latter, for a combined price tag of over $5 billion. Auditor General Renaud Lachance, says the final cost will be at least $100 million more than this amount over the 30 year lease-back deal. He says it would have been cheaper to build the facilities using conventional public sector funding means. He also claims the cost analysis used by the government to justify a public-private partnership was fundamentally flawed. Contracts have already been awarded to build the McGill facility and the research centre but a contract for the Université de Montréal hospital is not expected to be awarded until next January. (News release; Montreal *Gazette*, June 10) ... **Quebec has among the youngest laboratory and radiation technologists in the country**, two new reports from the Canadian Institute for Health Information reveal. From the limited amount of information that is available (since not all provinces regulate these professions), the reports found the average age of a laboratory technologist was 44.6 years in 2008, and CIHI said more than half could potentially retire in 10 years. Quebec had the youngest average age by far at 39.7 years. Radiation technologists are a somewhat younger group with an average age of 42, and Quebec had the third-lowest average age at 40.4 years and close behind New Brunswick (40.2 years) and Newfoundland and Labrador (39.9). The reports are available at www.cihi.ca.

A new research project will seek to determine the cost of adverse events. The project, supported by the Canadian Patient Safety Institute, is expected to be completed by June of next year. (News release at www.cpsi-icsp.ca)

Layton outlines NDP health platform

The New Democratic Party is putting health care "front and centre" in the next election, Party Leader Jack Layton said in a speech to the Nova Scotia NDP convention last Friday.

He said medicare is working well, but is under "constant threat from those who see sickness as an opportunity for profit."

Mr. Layton said Ottawa needs to stop the creep towards more privatization, and start enforcing the *Canada Health Act*.

The NDP leader said he has realized the value of medicare in his own fight against prostate cancer. "All I ever needed was my heath card — my credit card stayed in my pocket."

But he said leadership is also required to modernize the system.

"There's a "growing mismatch between what medicare covers and what people need. And if we don't fill that gap now, the privateers will rush in and claim it."

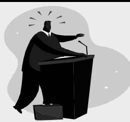
He called for an expansion of long-term care, and home care, to ease pressures on hospitals where a lot of seniors are taking up beds while waiting for "better options" for care in the community.

He also said a national prescription drug strategy is overdue, starting with catastrophic drug coverage, national bulk-buying of drugs to ease costs, and drug patent reform.

The third element of his health platform for the next election is a health human resource strategy to train more doctors and other providers.

The final element is a major push for "prevention through health living." He said the country needs a national strategy recognizing all the social determinants of health.

The speech can be found at www.ndp.ca/press/leadership-on-health-care. *HE*



Editorials & Commentary

Palliative Care

In her third report on the state of palliative care in the last 10 years, Senator Sharon Carstairs says there have been significant improvements, but governments have "to raise the bar" to meet the needs of an aging society. "We will not have achieved success until we recognize that the passing of life is as important as the birth of that life," she says.

While nine-in-10 Canadians who die could benefit from palliative care, this option is only available to a third of this number.

"Canadians are dying in needless pain because health care providers do not know what a good death is," she says. "We need to build capacity throughout our health care system with increased research, better knowledge translation, implementation of best practices, better education for our health care providers and a health human resources staffing plan to address future needs."

Ms. Carstairs makes 17 recommendations in her report including an appeal to the federal government to re-establish a Canadian Strategy on Palliative Care which ended in 2006, and a strengthening of the Compassionate Care Benefit Program to support informal caregivers.

The report, *Raising the Bar: A Roadmap for the Future of Palliative Care in Canada*, can be found at http://sen.parl.gc.ca/scarstairs/PalliativeCare/Raising%20the%20Bar%20June%202010%20(2).pdf

Health Edition is published by Krysgar Communications Inc. **Merck has made this copy of *Health Edition* available as part of its commitment to foster constructive dialogue about health reform in Canada**. You can contact *Health Edition* at info@healthedition.com. ISSN 1492-627X

*(**"Poll"** from page 1)*

The survey was commissioned for the Munk Debates, a series sponsored by a charitable foundation set up by businessman Peter Munk to look at major issues facing Canada and the world. On Monday, the subject was health care, the resolution being "*I would rather get sick in the United States than Canada.*"

Speaking for the resolution in the Toronto debate were William Frist, a physician and former U.S. Senate Majority Leader, and David Gratzer, a Canadian physician and a senior fellow at the Manhattan Institute in New York. Speaking against were former Vermont Governor and Democratic National Committee Chairman Howard Dean, and Dr. Robert Bell, President and CEO of University Health Network in Toronto.

The debate began with a vote by the audience on the resolution, and 23 per cent were pro, 70 per cent against with seven per cent undecided. When the evening ended, the only number that budged was the undecided who all went over to the "con" side.

The Ipsos-Reid poll found Canadians see the distinct possibility of health care consuming upwards of 80 per cent of provincial budgets at some point in the future, and a plurality (44 per cent) believe both U.S. and Canadian health care systems will be very different down the road in terms of access, delivery and payment systems.

The debate can be viewed at www.munkdebates.com/debates/Healthcare (free registration required). *HE*