

Canada slow in improving physician supply

Canada is a big spender on health care compared to the international average – spending almost a third more per capita as well as a higher proportion of its Gross Domestic Product on this service – yet it lags in terms of the supply of physicians, nurses and hospital beds, as well as high-tech diagnostic equipment.

In its *Health Data 2009* report this week, the Organisation for Economic Co-operation and Development said Canada spent 10.1 per cent of its GDP on health care in 2007, more than a percentage point above the average of 8.9 per cent for 30 OECD countries. This placed Canada sixth on the list with the U.S. miles ahead of everyone else at 16.0 per cent.

Canada ranked fifth on per capita spending in 2007 at \$3,895 U.S., on a purchasing power parity basis, compared to the OECD average of \$2,974 – trailing only the U.S., Norway, Switzerland and Luxembourg.

But Canada was fifth last in the supply of practising physicians at 2.2 per 1,000 population in 2007 – well below the OECD average of 3.1 – and our physician situation has barely improved since 1990 (up only 0.2 per cent) while it has expanded by two per cent elsewhere.

The explanation for this can be found in that Canada has the third-lowest proportion of medical graduates per population, and has made much less use of foreign-trained physicians to boost supply.

Physicians trained in other countries contributed to just eight

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Alberta Health Services projects \$1.1B deficit

Alberta Health Services presented its 2009-10 budget last Friday, projecting a \$1.1 billion deficit for its first full year in existence. It is now hunting for ways to deal with this shortfall before it gets even bigger.

In fact, the gap between expenditures and revenues is projected to swell to 24 per cent in the next three years unless something is done. This has some people in Alberta suggesting that cuts to services are on the horizon.

The huge organizational change from a network of nine regional health authorities and three provincial agencies to a single entity to run health care was unveiled by the government in May 2008. The transfer of power has been underway since then and Alberta Health Services (AHS) officially took over on April 1 of this year.

The government's announced reason for the change was to improve quality of health services and provide Albertans with better access to services, but its underlying motive was to find ways of making the health system financially sustainable.

Alberta's health budget has been going up at a faster clip than other provinces, and now outspends all other provinces (except Newfoundland and Labrador) on a per capita basis. The AHS board, whose members were chosen by government to bring a businesslike approach to health care operations, wants to know why – especially when there is no evidence Albertan taxpayers are getting any bigger bang-for-their-buck.

The CEO of Alberta Health Services, Dr. Stephen Duckett,

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More Canadians without a regular doctor

The proportion of Canadians with a regular family doctor slipped between 2003 and 2008, from 86 to 84 per cent, Statistics Canada reported last week in findings from its 2008 Canadian Community Health Survey. Over the same period, indicators of health status have also worsened.

Among the some five million Canadians over the age of 12 without a doctor, there was a 56-43 per cent split between those who had not looked for one and those who had been unable to find a doctor because none were available in their area for one reason or another.

Women are more likely than men to have a regular doctor: 88 to 80 per cent overall in 2008, but the difference was remarkable in the 20 to 34 age category: twice as many women than men had a doctor with one third of men without.

While this may be a sense that

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has been asked to provide the answer to this question by December, along with a plan to bring per capita spending in line with the national norm. He is also being asked to come up with a plan, in short order, to deal with the deficit.

Dr. Duckett, who has been in the job for about three months since arriving from his native Australia, says AHS is committed to aligning expenditures with its government funding. This went up by six per cent this year, plus an additional amount to take over the delivery of ground emergency medical services from municipalities.

This was well short of the 10 to 13 per cent increases of recent years. In fact, the \$1.1 billion deficit for 2009-10 is predicated on a similar 13.2 per cent increase in spending.

With the government struggling with its own financial challenges, even a six per cent budget increase for AHS in future years is not guaranteed. This week, Alberta’s Finance Minister said a “course correction” on expenditures is needed to cope with falling provincial revenues and sizeable deficits projected for the next four years.

Health and Wellness Minister Ron Liepert has said on a number of occasions that he is prepared to give AHS a couple of years to get its financial house in order, but news of the projected deficit – more than triple what it was last year – makes this an even steeper mountain to climb.

Dr. Duckett insists that service cuts are a last resort to whipping the budgetary challenge. He is convinced that efficiency changes will bring in the necessary savings, including what comes from the integration of operations from the former nine-region, three-agency structure. This includes lowered salary costs from a streamlined management struc-

Priority surgery volumes levelling off, CIHI says

Over the last three years, there has been an eight per cent increase in the number of surgeries chosen as government priorities.

In a report last week, the Canadian Institute for Health Information said there were 168,100 additional procedures conducted between 2004-05 and 2007-08 covering cancer and heart revascularization surgeries, joint replacements and cataract removals. This works out to eight per cent growth after adjusting for population growth and aging.

The biggest increase was in 2005-06 after First Ministers signed a health accord pumping \$4.5 billion into a Wait Times Reduction Fund for these procedures. However, the increase between 2006-07 and 2007-08 was just enough to keep up with population growth and aging, CIHI said. Cataract surgery is the only area where rates have in-

creased every year since 2004-05.

CIHI cautions that a levelling off of priority surgery volumes does not necessarily mean that wait times will be affected. There is more to the wait-time reduction effort than just pumping up surgical volume. Furthermore, there is no evidence that wait times have started to increase.

CIHI said surgical volumes in areas not targeted as government priorities have remained the same since 2004-05 on an age-standardized basis. However, there has been a four per cent decline in other orthopedic and eye procedures that are not priorities for governments *per se*, but are performed by the same kind of specialists. Again, CIHI hastens to point out that the decline in volumes here may be related to other factors.

The *Surgical Volume Trends 2009* report is at www.cihi.ca. **HE**

ture and provincewide procurement and supply management.

AHS is expecting to find \$250 million this year in “net integration savings” and this number is included in the \$1.1 billion deficit projection. The savings are expected to top out and remain at \$650 million annually as of next year. Obviously, if the integration savings are not found, the deficit will be even bigger.

Dr. Duckett is also looking at other measures, to be announced over the next number of months, that will improve the bottom-line. These include shifting some 800 elderly patients who are taking up hospital beds to community care.

Some are not convinced the money will be found.

David Eggen, head of the advocacy group Friends of Medicare in Alberta, told the *Edmonton Journal* that Dr. Duckett is “straining his credibility to suggest that his centralization and ef-

ficiencies will find \$1 billion.”

Nurses believe services are already being impacted through a *de facto* hiring freeze by AHS and hospital spending being curtailed to what was recorded in the last quarter of the last fiscal year.

The nurses say registered nursing job vacancies are being filled by less qualified nurses, leaving upwards of two-thirds of this year’s graduating class of RNs without job prospects in the province. **HE**

Hansard Highlights

The spring sessions of the House of Commons and provincial legislatures are now all adjourned. *Hansard Highlights* will return with opening of the first legislature, likely to be that of British Columbia on August 25. The House of Commons, Quebec, Ontario and Manitoba legislatures are scheduled to reconvene the week of September 13.

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Kevin McNamara has been appointed acting deputy health minister in Nova Scotia following the retirement of Cheryl Doiron. Mr. McNamara is the CEO of the South Shore District Health Authority in Nova Scotia. (News release) ... **Nova Scotia's new health minister is asking for "a reasonable period of time" to fix ER problems.** In the recent election, the new NDP government promised it would keep all hospital ERs open and cure the problems that are making temporary closures due to staff problems an ongoing reality. This week, in just one district health authority, it was announced that Digby General Hospital's ER will be closed 14 days in July, while the hospital in Shelburne will be closed for 12. Health Minister Maureen MacDonald did not give any timeline for fixing the problem, but said one promised NDP measure, to hire an advisor to lead emergency care improvement, may take several months. (cbc.ca)

Of the 50 highest-paid people at the Winnipeg Regional Health Authority, 35 are emergency physicians. The WRHA's annual staff compensation report, released this week, revealed that some are even being paid more than CEO Dr. Brian Postl who earned \$418,200 last year. In 2007, ER physicians received a pay increase of between 25 and 50 per cent to deal with a staff shortage at city hospitals. Now only two of 42 positions at city community hospitals are vacant. WRHA says some physicians may have given up private practices to work more hours in the ER. (*Winnipeg Free Press*, July 2)

Physicians in Newfoundland and Labrador are looking for a pay increase in their new contract negotiations with the government. CBC reports that the

provincial medical association has tabled an 11-point proposal to government that includes compensation to specialists when surgeries are cancelled due to nurse or anesthesiologist staffing problems. The medical association also wants the government to correct an imbalance created by signing one-off pay increases last year with oncologists and pathologists who are in short supply. The last contract contained a wage freeze for the first two years, and three per cent increases in each of the two subsequent years. It expires in September. (cbc.ca)

The British Columbia government is being accused of keeping the financial plight of regional health authorities hidden in the May election. NDP Health Critic Adrian Dix says news about possible budget deficits at three health regions were not made known until recently. Northern Health has revealed a \$14 million potential deficit, and Interior Health and Vancouver Island Health Authority are looking for savings to address shortfalls of \$28 million and \$50 million respectively. The two largest health regions are also mired in budget difficulties with a combined shortage of around \$200 million. Health Services Minister Kevin Falcon says the financial challenges of the regions were made clear in the February provincial budget. (*Canadian Press*, June 24,25; *Victoria Times-Colonist*, June 24; *Prince George Citizen*, June 20; *Vancouver Sun*, June 3,11)

New and senior nurses in Quebec are getting some financial encouragement to stay on the job. Health and Social Services Minister Yves Bolduc announced Tuesday that newly-graduated registered nurses will receive a \$3,000 bonus each year they work in the public system.

Auxiliary nurses will get \$2,000. Furthermore, senior nurses eligible for retirement are in line to receive \$8,000 for each year they put off their departure. The bonuses are in place for the next three years at which point their success will be evaluated. The nurses' union has criticized what it sees as a "simplistic" approach that benefits a minority of nurses at either end of the spectrum. It says the government should be doing something to improve working conditions rather than bribing nurses to overlook these issues. Dr. Bolduc says the wages of nurses at large are something for contract negotiations. In a recent survey by the Quebec Order of Nurses, some 15,000 nurses said they would take retirement over the next three years unless something was done about their wages and working conditions. (News release; *La Presse*, June 30)

The medical treatment wishes of mature minors must be considered, the Supreme Court of Canada ruled last Friday. The case that spurred the decision involved a 14-year-old Winnipeg girl, a Jehovah's Witness, who was forced to have a blood transfusion for a bleeding bowel brought on by Crohn's disease. The Court said the transfusion was warranted in this case, but that authorities in future need to respect the decisions of mature minors who understand the nature and seriousness of their medical condition and the consequences of refusing treatment. The Court decision can be accessed at scc.lcx.um.umontreal.ca/en/2009/2009scc30/2009scc30.html) ... **As of July 1, ambulance trips in New Brunswick will cost users \$130.** Ambulance fees were reintroduced after being abolished four years ago. (*Fredericton Daily Gleaner*, July 1)

CMA to debate framework for patient-centred care

Delegates will be debating a framework for patient-centred care at the Canadian Medical Association annual meeting in Saskatoon, August 16-19.

The framework, to be unveiled at the meeting, is based on a year-long research and consultation effort to uncover ways to transform Canada's health care system.

There will also be a strategic session at the CMA meeting on the leadership of change featuring Tony Dagnone, Commissioner of Saskatchewan's Patient First Review of the provincial health system.

The research phase of this review has recently wrapped up, and work is apparently well underway on Mr. Dagnone's report which is to be delivered to the health minister this summer. **HE**

(*"Statistics Canada" from page 1*)

being in the prime of life makes the need for regular check-ups unnecessary, there are worrying signs that the health of Canadians is deteriorating.

High blood pressure affected 16 per cent of Canadians over the age of 12 in 2008, up from 13 per cent in 2001. The prevalence of diabetes climbed from four to six per cent. Obesity, commonly linked to diabetes, is also on the rise. Fully 17 per cent of Canadians aged 18 or older were obese in 2008 compared to 15 per cent in 2003.

The proportion of Canadians over the age of 12 diagnosed with a mood disorder stood at 6.8 per cent in 2008, up from 5.3 per cent in 2003.

More information can be found in Statistics Canada's Daily for June 25 and 26 (www.statcan.gc.ca/dai-quo/index-eng.htm) as well as at its *Health in Canada* module www4.statcan.gc.ca/health-sante/index-eng.htm. **HE**



Miscellany

Hiring freeze

The *Calgary Herald* (June 30) says the government and Alberta Health Services need to explain why there is a hiring freeze on nurses when 1,483 job openings were reported in March. The president and executive director of the College and Association of Registered Nurses of Alberta (CARNA) visited the *Herald* editorial board this week and said the abrupt change in Alberta's position has "poisoned the water for international recruitment" because it "doesn't look like the province knows what it's doing." Nursing graduates in the province this year have no jobs to go to and are being recruited by other provinces and U.S. organizations. Foreign-trained nurses who have already been recruited by Alberta hospitals are in limbo, not knowing if they have a job to come to or not. The *Herald* says AHS CEO Stephen Duckett and Health Minister Ron Liepert "need to make it clear how long the hiring freeze will last, why they're seeking savings on the backs of vital front-line workers, what sort of tourniquet

they plan to apply to stop the bleeding of nurses out of the province, and whether they plan to hire enough staff to drive the overtime rate down."

In an opinion-editorial published by the *Herald* on June 29, Health and Wellness Minister Ron Liepert defended changes the government has made to health care including the shift from a regional health authority structure to the single entity that now runs things — Alberta Health Services. "So we've begun some of the heavy lifting to change our public health-care system for the better," Mr. Liepert said while also conceding there will undoubtedly "be some bumps along the way."

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per cent of the growth in the number of physicians practising in Canada between 2000 and 2007.

This trailed all nine other countries in an OECD comparison, with Ireland making almost exclusive use of foreign physician resources in the period, and even the U.S. finding over half (55 per cent) of its new physicians from outside its borders.

The discrepancy in nursing supply is not as pronounced. There were 9.0 nurses per 1,000 population in Canada in 2007 compared to the OECD average of 9.6. But the number of acute care hospital beds was again

much lower than the international average: 2.7 versus 3.8 beds per 1,000 population.

The supply of sophisticated diagnostic equipment has increased in Canada, but it is still substantially below the OECD average.

There were 6.7 MRI units per one million population in Canada in 2007 compared to the international average of 11, and 12.7 CT scanners versus 20.2 internationally.

More information at http://www.oecd.org/document/30/0,3343,en_2649_34631_12968734_1_1_1_37407,00.html. **HE**