

Seven private scan clinics in Ontario may close

The Liberal government in Ontario seems poised to shut down seven private diagnostic scanning clinics created by the former PC government.

The fact that negotiations are underway between the Ontario government and the operators of the clinics was reported by Canadian Press. It also said the talks were confirmed by a spokesperson in the Premier's Office.

In 2003 the PC government gave five-year licenses for the establishment of seven clinics to provide MRI and/or CT scanning services under contract to the government. The total value of these contracts was estimated at \$4.6 million annually. The rationale for the move was to reduce wait times for diagnostic imaging which were a problem despite a quadrupling of the number of MRIs in the province since 1995, and more money for hospitals to increase the hours of operation of their own machines.

The licensees were chosen after a Request-for-Proposal process begun in the fall of 2002, and a government news release in February 2003 said the seven clinics would be providing scanning services at 36 per cent less cost than providing the same service in hospital.

The contracting-out of MRI and CT scans nonetheless attracted considerable controversy, and the Liberals made it a campaign pledge last year to cancel the contracts if elected. They apparently are making good on this promise.

The CP report said four of the seven clinics are to be converted

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Dosanjh new federal health minister

Prime Minister Paul Martin unveiled his new Cabinet Tuesday, making Ujjal Dosanjh his Minister of Health. Mr. Dosanjh, who was NDP premier of B.C. in 2000 and until his defeat in the May 2001 provincial election, switched his political allegiance to run for the Liberals in the recent federal election. He now becomes the first former premier to serve as a federal health minister.

During his 15-month tenure as B.C. premier, Mr. Dosanjh made his presence felt on health issues.

It was Mr. Dosanjh who locked horns with Premier Ralph Klein during the August 2000 Premiers' Conference over the issue of privatization. At the time, Mr. Klein was battling grassroots opposition in his province to Bill 11 which set the rules for the operation of private surgical clinics.

Mr. Dosanjh's blunt criticisms of Bill 11 were seen by Mr. Klein as an unwelcome intrusion into Alberta affairs, and this scenario could well be repeated given that Mr. Dosanjh is still a vocal critic of privatization and Mr. Klein still supports an expanded role for the private sector in health care.

Mr. Dosanjh also tried to make privatization an issue in the 2001 B.C. election. He said Liberal Leader Gordon Campbell's pledge to cut taxes would come at the expense of health care.

"There are two directions in which we can go when it comes to health care in British Columbia. We can fix our public health care system or we can let it slide into American-style private care where those who can pay more go to the front of the line. Let's not beat around the bush. That would be the effect of Mr. Campbell's tax policies," he said in March 2001.

Shortly after being sworn in to his new Cabinet post this week, Mr. Dosanjh served notice that

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Health summit to begin Sept. 13

The health summit between Prime Minister Paul Martin and provincial-territorial premiers is set to begin September 13.

"It will take place in Ottawa at the conference centre, and it will be, as previously discussed, an open meeting. Media will be invited and it will be televised so that it will be as transparent as possible," Mr. Martin told reporters after the first meeting of his new Cabinet Wednesday.

Health Minister Ujjal Dosanjh said Ottawa will not just be at the meeting to sign a blank cheque.

"Our approach is to make sure that we work with the provinces. But that doesn't mean we simply throw money at it and don't ask anything in return. We want to make sure our progress is measurable." **HE**

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the Liberal government's health-care agenda will be firmly focused on upholding the principles of the *Canada Health Act* and making good on campaign promises to invest further in publicly-funded health care.

"I can tell you that what we need to do is stem the tide of privatization in Canada and expand public delivery of health care so we have a stronger health care system for all Canadians," he told reporters.

At the same time, Mr. Dosanjh brings new insight into challenges provinces face in running their health care systems. Indeed, B.C. Health Services Minister Colin Hansen told the *Vancouver Province* that Mr. Dosanjh brings "a first-hand understanding of the challenges that the provinces are going through when it comes to trying to fund a sustainable health-care system."

Mr. Dosanjh was at the table when premiers negotiated their first health accord with former Prime Minister Jean Chrétien in September 2000, and afterward he lamented the fact that they had been unable to prise more money out of Ottawa.

"We're going to have to dig into our own pockets in British Columbia, our treasury, to deal with some of the difficulties with health," he told reporters at the time.

Four years later, he will be on the other side of the table when his boss, Prime Minister Martin, meets with premiers to negotiate a third health accord in September. The issue of Ottawa's share of health expenditures will again be on the agenda.

Ironically, Mr. Dosanjh was one of the first political leaders in Canada to say, "Money alone will not sustain our public health care system." This phrase was used in his government's March 2000 Throne Speech after he took over

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Electronic health records a U.S. and Canadian priority

U.S. Health Secretary Tommy Thompson has announced a major initiative to fulfill President Bush's goal of having electronic health records (EHRs) in place for most Americans within 10 years.

Mr. Bush created an Office of National Coordinator for Health Information Technology in May, headed by Dr. David Brailer. A report by Dr. Brailer, "*The Decade of Health Information Technology*," was released Wednesday.

Mr. Thompson says the U.S. needs to do more to improve the uptake of information technology in the health system. He noted that only 13 per cent of hospitals and between 14 and 28 per cent of physicians' offices have EHR systems.

"America needs to move much faster to adopt information technology in our health system," he says. "Electronic health information will provide a quantum leap in patient power, doctor power, and effective health care. We can't wait any longer."

The report found the most commonly-cited barriers to the implementation of EHRs are insufficient resources, and because managers just do not believe EHRs will produce a worthwhile return on their investment.

Not so, says Mr. Thompson. In addition to improving patient care, and reducing errors, he claims EHRs have the potential of producing savings of 10 per cent of total annual health care spending.

The health secretary is setting up a leadership panel to look at the options for encouraging EHR investment. The report suggested a number, including: regional grants, low-rate loans, and using Medicare reimbursements to reward use of EHRs.

The leadership panel, still to be appointed, will be expected to

report back in the fall on the costs and benefits of EHRs and options for development.

Mr. Thompson has announced that his department is exploring ways of working with the private sector to develop product standards for EHRs, as well as form consortia to plan, develop and operate a national health information network.

Meanwhile, the Centers for Medicare and Medicaid are fast-tracking regulations for electronic drug prescribing standards, and developing the means for patients to get access to their health records through a secure Internet site.

Canada also has a major EHR initiative underway being driven on a national basis by Canada Health Infoway (CHI). It has a \$1.1 billion endowment from the federal government to accelerate development of EHR systems.

CHI's 2003-04 *Annual Report*, published earlier this month, says 53 projects across the country were supported last year. These covered EHR infrastructure, registries, telehealth, and diagnostic, drug and lab information systems. Some of these projects are ongoing, and CHI expects to support more than 50 additional projects in 2004-05, ramping up its total investment approvals to as much as \$400 million.

At the same time, CHI cautions against expectations for quick results. The annual report notes that an EHR system is useless without the active participation of physicians and other health care professionals.

"The technology associated with EHRs is only as good as the acceptance level of the people who use it. Support for technology adoption is key and Infoway must be fully prepared to listen, adapt and adjust," CHI President and CEO Richard Alvarez says in the annual report's preamble. **HE**

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

Dr. Carolyn Bennett has kept her post of Secretary of State for Public Health in the new Martin Cabinet. Former Fisheries and Oceans Minister Robert Thibault was appointed Parliamentary Secretary to the Minister of Health. The NDP has named Bill Blaikie as health critic, while the Conservatives have appointed Steven Fletcher to this position. Mr. Fletcher has the distinction of being the first quadriplegic MP in the House of Commons. (NRs) .. **The new Chief Public Health Officer for Canada will be located in Winnipeg,** the Prime Minister's Office has confirmed. Recruitment ads for the position did not mention Winnipeg as the location, fueling concerns in Manitoba that the federal government may have had a change of heart about where the new Public Health Agency would be sited. (Winn. F-P, July 16)

New Brunswick medical students may get to do all their clinical training in their home province. Currently francophone NB medical students receive their education and training in Quebec. The University of Sherbrooke in Quebec and the University of Moncton are considering a new arrangement that would allow family medicine students to receive all their clinical training at the Georges L. Dumont Hospital in Moncton. The possible arrangement is being motivated by Quebec's desire to make more room in its medical schools for Quebec students, while New Brunswick sees more of its students staying in the province if that is where they receive their training. (NB T-J, July 20) ... **The University of Montreal is starting a program to recruit and train more medical students in rural areas where they live.** The new program is starting in the Mauricie region between Quebec City and Montreal,

and all training will be done at the University of Quebec's Trois Rivieres location. The region was chosen because its doctor-to-patient ratio is among the worst in the province. (Gaz., July 9)

New Brunswick's 4,900 nurses are threatening possible strike action, and a strike vote is expected in the near future. The nurses are after a 24.5 per cent wage increase over a 30-month contract while a conciliator's report recently recommended 19 per cent over 4 years. The government has offered 18 per cent over this period along with the promise to bring nurses up to the Atlantic region wage average in the fourth year. The government is urging nurses to moderate their demands. (Monct. T-T, July 17) ...

New Brunswick has opened room for 25 more physicians to work in the province, by creating new billing numbers in the province's three largest cities. No new billing numbers are being created outside of these centres because there are already physician vacancies to be filled. Nineteen of the 25 new billing numbers will be for general practitioners. (NB T-J, July 8) ... **Canadian health care professionals looking to work in the U.S. have been given another year to get the necessary certification.** New rules effective July 26 had required foreign nurses and other health professionals to pass U.S. certification exams and demonstrate English-language proficiency. The new rules do not apply to physicians. U.S. health authorities in border regions with Canada and Mexico had expressed concern that this would create a negative impact on their health systems already trying to cope with staff shortages. The certification deadline has now been moved to July 26, 2005. (CP, July 19)

Nova Scotia should be looking into fees being charged by a new medical co-op, NDP Health Critic Maureen MacDonald says. The co-op is being set up in New Glasgow by Dr. Cathy Felderhof, a family physician. Patients will own and run the co-op through an independent board of directors. An \$8 per visit charge, or a \$160 annual fee for individuals and \$180 for families, would cover non-insured services and allow for the hiring of an office manager and nurses so Dr. Felderhof can be relieved of paperwork and concentrate on patient care. However, Ms. MacDonald wants to know what the membership fees will specifically cover, and is concerned about the possibility of extra billing. She points out that the physician fee structure is supposed to cover overhead and office expenses that physicians incur. (Hal. C-H, July 17)

Ontario's doctor shortage is getting worse, Ontario Medical Association President Dr. John Rapin says. "We're short 10 per cent and some specialties more than others," he told Canadian Press. The OMA estimates that Ontario lacks approximately 2,000 doctors, and further calculates that some 23 per cent of doctors will be retiring in the next five years and another 16 per cent possibly leaving the province. (CP, July 18) ... **Workers for Ontario-based companies but living outside the province are still paying the new health premium** that was implemented on July 1. However, they will be allowed to write off the premium payments on their year-end Income Tax return. Finance Minister Greg Sorbara calculates that the most these individuals will lose is \$15 a year in foregone interest on the money the premiums amount to. (Ott. Cit., July 22)

Issue of aboriginal clinics not raised at conference

First Nations have not made any decision about setting up private clinics on reserves. The issue was to be discussed at the Assembly of First Nations annual meeting in Charlottetown this week, but was not addressed.

The appointment of new federal Indian Affairs and Northern Development Minister Andy Scott, and his hastily-arranged speech to the conference Thursday, caused a major readjustment of the conference agenda.

Last week, aboriginal leaders met at a reserve near Calgary to discuss the potential of setting up private clinics that could, among other things, offer pay-as-you-go MRIs for non-First Nations clients. They believe that First Nations can provide services outside the purview of the *Canada Health Act*.

Aboriginal leaders are also hoping for a seat at the table in the upcoming health summit between federal, provincial and territorial leaders. Prime Minister Martin said Wednesday that it will be up to premiers whether aboriginal leaders are invited to attend. **HE**

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into non-profit entities, while the other three — owned by DC Diagnosticare — are to be purchased by the government. CP said the province has made an initial offer of \$14 million for these clinics.

An editorial in the *Ottawa Citizen* Tuesday questioned the wisdom of the takeover. It said there is no evidence that the move will result in more people getting scanning services, or scans being provided for less money. “It won’t even stop public money from going to the owners, because buying them out means each of them gets a big cheque,” it said. **HE**



Miscellany

Ujjal Dosanjh’s appointment

Prime Minister Paul Martin’s selection of Ujjal Dosanjh as health minister drew mixed reaction in editorials Wednesday. The *Saskatoon Star-Phoenix* said it was a “particularly astute move” by the prime minister. “The former NDPer allows Martin to proclaim Ottawa’s thinking in line with the social values of a majority of Canadians.” The Vancouver *Province* also saw Mr. Dosanjh as a “clever pick.” However, the *Province* added, “Hopefully, his previous life as a card-carrying NDPer won’t get in the way of his need to overhaul the system rather than throw more money at it as some provinces are suggesting be done.” The *Toronto Star* said Mr. Dosanjh’s appointment shows Ottawa is determined to strike a new health deal with the provinces. It said Mr. Dosanjh “brings to the job not only his steadfast NDP-rooted support for Canada’s universal health-care system and the improvements set out in the Romanow report, but a valuable understanding of the provinces’ perspective on health.” The *National Post* expressed doubt that Mr. Do-

sanjh “is the right man to implement any sort of serious reform. While talented, Mr. Dosanjh’s left-leaning tendencies will deter him from giving provinces the freedom needed to experiment with private delivery of public services.” Mr. Dosanjh’s comments this week about stopping the spread of privatization led the *Post* to follow up with another editorial (July 22) criticizing him for taking “a manifestly inflexible stance” that “unilaterally rules out most of the ideas for health care innovations the provinces have proposed.” The *Regina Leader-Post* (July 22) was similarly disappointed. “Dosanjh should enter this summer’s talks with an open mind. At the very least, new approaches need to be discussed, not rejected out of hand.”

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the leadership of the NDP party. The terminology has since become well-used in political rhetoric concerning health care.

There will be other issues on the table at September’s First Ministers’ meeting that will be familiar to Mr. Dosanjh.

At their annual meeting two weeks ago, western and territorial premiers said they would be looking for the new agreement to address some of the issues largely neglected in the last accord, such as health human resources and rural health delivery.

When he was premier, one of

the major challenges his government faced was job action by disgruntled physicians in several rural communities who were after better pay and working conditions.

Mr. Dosanjh’s government also proclaimed a need for more innovation in health care, and it even hosted a Health Innovation Forum in June 2000 to look at different ways of delivering patient-focused health care.

In his new capacity as federal health minister, Mr. Dosanjh’s concern will be ensuring that any innovations the provinces undertake do not stray from the principles of the *Canada Health Act*. **HE**

Boston launches 'Meds by Mail'

The City of Boston has become the largest U.S. city so far to set up a program for drug importation from Canada.

Mayor Thomas Menino made the announcement Wednesday, just days before the city plays host to the Democratic National Convention and confirmation of the Kerry-Edwards presidential ticket.

The Boston program, "*Meds by Mail*," is described as a pilot program open to city employees and retirees enrolled in the Blue Cross/Blue Shield health plans. There are also a limited number of drugs that are eligible for the program, 51 in all, and they must be ordered by mail.

The city has provided an inducement for the estimated 14,000 people who are able to buy drugs through the program: it is waiving the usual \$10 prescription co-payment.

Calgary's Total Care Pharmacy is the provider of drugs ordered through the program. Before its one-year contract with the city was signed, an inspection team sent by the city to the pharmacy apparently insisted on the installation of new bar-coding and scanner equipment.

While Boston officials stand behind Total Care Pharmacy as a trusted supplier of medications, the FDA has said it has concerns about the company. The agency was to elaborate on these concerns at a congressional hearing Thursday. **HE**

Readership Survey

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Company News



Shoppers Drug Mart has reported that prescription drug sales in the drug store chain increased 11.0 per cent in the second quarter to \$705 million. Prescription drug sales accounted for almost 48 per cent of system sales, up a percentage point from the same period last year. (NR) ... **Jean Coutu Group** is making a \$1.2 billion U.S. Notes Offering to support its \$2.4 billion purchase of 1,539 Eckerd stores in the U.S. (NR)

Angiotech and **Conjuchem** were two Canadian biotech stocks that got a rough ride on the TSE this week following negative product news. Angiotech announced a recall last Friday of 96,000 heart stents by its business partner **Boston Scientific**. Earlier in the week, Conjuchem announced troubling side-effects associated with a clinical trial of its lead product,

growth hormone DAC:GLP-1. Angiotech shares fell almost nine per cent Monday to \$21.80 on the TSE and closed Thursday at \$21.36. Conjuchem shares tumbled nearly 11 per cent to \$4.99 and closed Thursday at \$4.18. Shares were trading above \$11 at the start of the month. (CP, July 19; TSE)

Paladin Labs has filed a new drug submission with Health Canada for GlucaGen which is indicated for the management of hypoglycemia in diabetes patients. Paladin has a distribution agreement with **Novo Nordisk** for the product. (NR) ... **ID Biomedical** has announced positive results from its FluINsure influenza vaccine. (NR) ... **Procyon** has completed enrollment for a Phase IIb trial of its Fibrostat topical treatment for hypertrophic scars resulting from surgery or burns. (NR)

Science issues downgraded in Cabinet shuffle

This week's Cabinet shuffle gave short shrift to science issues that were so important to Mr. Martin before he became prime minister, and were heavily profiled when he created his first Cabinet last December.

At that time, he announced that a National Science Advisor, reporting to him, would be appointed. This person was to advise the PM on "the full range of issues related to research." This appointment has yet to happen and there was no mention of it in this week's Cabinet announcement. Last December, as well, Mr. Martin created a position of parliamentary secretary for science and small business issues. This position disappeared in the new Cabinet lineup. **HE**

CIHR to join drug trial registry

The *Ottawa Citizen* reported Thursday that the Canadian Institutes for Health Research is registering all the clinical trials it is involved in. The information will be provided to a British group that is setting up a public register tracking clinical trials on a worldwide basis.

"It would be highly desirable for all the trials that go on in Canada to go into the registry," CIHR VP of Research Dr. Mark Bisby said in the article.

The registry will not contain trial results, but allow interested parties to get in touch with the researchers. Dr. Bisby said the registry should help improve collaboration, decrease duplication and encourage dissemination of results. **HE**