



national
union

Submission

to the
Parliamentary
Committee
on the
Review of the
Progress in
Implementing the
2004 Health Accord

November 2011

NATIONAL UNION OF
PUBLIC AND GENERAL
EMPLOYEES

THE NATIONAL UNION represents 340,000 members who are employed in virtually every segment of our country's provincial public sector. We also have a growing membership among workers in the private sector.

Among the public sector members of our union are tens of thousands of women and men who work in Canada's health care system. They work ensuring that our health care facilities are clean and well maintained, providing diagnostic, therapy and pharmacy services and as licensed practical and registered nurses.

Our members have a wealth of experience and knowledge and an important perspective on the implementation of the 2004 Health Accord. Furthermore, they are eminently qualified to offer recommendations for the future of our health care system and the negotiations for a new Health Accord.

We offer these comments and recommendations in the spirit of helping to improve and expand upon Canada's crown jewel of public programs – Medicare. Our members firmly believe our Medicare system is a triumph of Canadian values and economic wisdom. While always open for adaptation and modernization, we assert the fundamentals of the system remain sound.

Health Accord provided some sustainability—but more needs to be done

In 2002, Canadians stepped forward to present to the Romanow Commission in unprecedented numbers. The Commission concluded that Medicare must be protected and expanded and it provided a blueprint to do just that.

Then in 2004, the federal, provincial and territorial governments reached an historic 10-year Health Accord. The federal government's funding commitments to the provincial and territorial health care systems provided what was a desperately needed degree of stability. And evidence suggests that significant improvements have been made in some areas of the health care system.

THE FEDERAL
GOVERNMENT
FAILS TO ENSURE
ACCOUNTABILITY

Unfortunately, we are also seeing an increasing withdrawal of the federal government from playing the essential role of national coordination in health care policy. By deferring responsibility for health care to the provinces and territories, the federal government is not ensuring accountability in the system.

As a consequence of this withdrawal of its federal role in the coordinating and enforcement of national health policy, we are seeing increasing fragmentation among provincial and territorial systems. This ultimately violates the core

principles of the *Canada Health Act*, especially comprehensive coverage and portability between provinces and territories.

Furthermore, our Medicare system needs to be expanded to include those health care services that Canadians depend upon on a daily basis. The good news is that many of these services, for example home care, also provide savings for the entire system thereby both expanding and strengthening our Medicare system.

The *Canada Health Act* must be enforced

Canadians are committed to their Medicare system. We all have a stake in the system and an interest in its management and delivery. As such, Medicare should be accountable to the citizens of Canada. Currently it is not.

WEAKENED
ACCOUNTABILITY
INCREASES THE PACE
OF PRIVATIZATION

Weakened accountability measures have served to increase the pace of privatization in provincial and territorial health care systems. The proponents of privatization in health care are opposed to increased accountability for public health care funding. This makes the public administration and review of health care spending all the more important.

The Auditor General of Canada reports that the Minister of Health is unable to inform Parliament of the extent to which provincial and

territorial health care delivery complies with the *Canada Health Act*. Parliament must insist that the Minister of Health enforces the *Canada Health Act*. Furthermore, no public monies should be provided to those provinces that are in violation of the Act.

RECOMMENDATION 1

Develop Accountability Mechanisms.

An accountability mechanism should be established which is independent and in the public domain. The first task is to track public funds in health care in order to monitor how much is going to investor-owned private for-profit health care, home care, and long-term care and the health outcomes and financial performance achieved.

RECOMMENDATION 2

Minister of Health must monitor and enforce the *Canada Health Act*.

The federal Minister of Health must correct the deficiencies in monitoring, reporting and enforcing the *Canada Health Act*. In particular, the ban on queue-jumping, user-fees and extra-billing by doctors must be strictly enforced.

Public solutions to ensure Medicare is there for all Canadians

Medicare is, first and foremost, about reflecting and promoting the core Canadian values of equity and fairness. The system is built on the premise that every single Canadian should get the best medical care available based on need, not wealth. The vast majority of Canadians care deeply about the values at the heart of Medicare. They won't accept any decisions or reforms that undermine these values.

The research has consistently demonstrated the advantages the public health care system provides. A public Medicare system provides better coverage for Canadians, better quality of services, and better accountability for less money than for-profit health care does.

PRIVATE HEALTH CARE DELIVERY HARMS THE PUBLIC SYSTEM

And, contrary to what the proponents claim, private health care delivery harms the public system:

- Wait times in the public system increase as a parallel, private system drains scarce health professionals out of the public system.
- The quality of care declines as private health insurance companies deny coverage and for-profit providers cut corners to save money and increase profits.
- Health care dollars are diverted from patient care into outrageously high executive

pay and benefits packages and advertising campaigns.

PUBLIC MEDICARE
GIVES CANADIAN
BUSINESSES A
COMPETITIVE
ADVANTAGE

In addition, we point out that public Medicare gives Canadian businesses a competitive advantage. It is vital to attracting more new investment into Canada's economy. A private system will erode this competitive advantage.

The path to ensure that Medicare is available for all Canadians in the future is to be found in a reinvestment in the public system. However, increased funding is not, in and of itself, the only way to ensure this future. Reforms must, and can, be done within the public system.

The National Union is recommending the following specific policy options to modernize and expand upon our public health care system. These reforms will ensure Canadians receive the highest quality care when they need it.

■ *We need to address the shortage of health professionals*

Too many Canadians are waiting too long, too often for the critical services they need. One cause of long wait times is plain enough: a shortage of health professionals.

The shortages include doctors, licensed practical nurses and all the highly-skilled health science professionals who deliver life-saving diag-

nostic, clinical, rehabilitation, pharmacy and emergency services. To succeed, we must develop a strategy to address the shortage of all health professionals.

There's a brisk migration of health professionals across the country, and provinces often attract their health professionals at the expense of neighbouring provinces. To succeed, we must work together, on a national level.

While accrediting and integrating foreign-trained professionals is part of the solution, it is not the magic bullet. Health professional shortages are a global problem and our own lack of planning must not be an excuse to poach health professionals from other countries struggling with their own shortages. To succeed, we must develop a comprehensive made-in-Canada plan.

A three-part solution in Canada can build an adequate supply of health professionals by taking three important steps:

- First, we must improve the work environment and job satisfaction for our current health professional workforce.
- Second, we must make better use of the health professionals we presently have.
- Third, we must plan better for future health needs.

RECOMMENDATION 3

More health professionals.

Our public health care system is confronted by a desperate shortage of health professionals. We need a national strategy to train, recruit and retain more health professionals.

Canadians want and deserve a national public home care program

Home care has become an important component of the modern health care system. For some it is help with basic household tasks; for others it is complicated medical procedures offered in the home; for still others it is various physical and emotional therapies — and more.

Most Canadians strongly feel that, whenever possible, looking after sick people in their own homes is preferable to institutional care. It's better socially; it's better for the patient's mental and spiritual health; and it makes good economic sense.

Medicare must be expanded to cover all home care treatments and services. It makes no sense to guarantee public coverage of medically necessary services provided in hospitals, but to provide only partial coverage or no coverage when those same services are provided in the home.

MEDICARE MUST
INCLUDE FULL CARE
AT HOME

Unfortunately, what we have is a patchwork of programs and services. The provinces are at different stages of development in home care. The methods of payment and the criteria for eligibility vary widely.

The lack of federal government leadership has resulted in aggressive corporations moving quickly to take over. In many provinces, non-profit home care providers have been driven away by provincial governments favouring low-wage commercial providers.

But experience has shown that privatization doesn't produce substantial cost savings; leads to lower wages, increased staff turnovers and poorer quality service; and for-profit companies are likely to reduce staff training to increase profits, thus reducing the quality of the service.

What is needed is fundamental change. What is needed is a coherent national strategy that is publicly administered and provided with sufficient money and staff to offer necessary home care services.

RECOMMENDATION 4

A national public home care program.

Most people want to receive as much quality care as they can in their own home. Home care is cost-effective and

can ease the stress on acute hospital beds and long-term care facilities. With a national public home care program, people will need hospital services less, they'll require shorter hospital stays and return to hospital less often.

We need a national pharmacare program

There is a multitude of life saving medications available to us today. Many people who have conditions that were untreatable in the past now lead normal and productive lives as a result of new research and medications. But all too often these life preserving medications are out of reach for many Canadians. Many of these medications are quite simply too expensive to be readily used!

COST OF DRUGS DRIVE
US INTO HOSPITAL

As a result, many people with illnesses rely on hospitals or other facilities for treatment. People who, with the proper medication, could be living at home comfortably are instead in hospital in order to ensure their access to medication.

There are more than three million Canadians who are either uninsured or under-insured for prescription drugs. Eight million Canadian workers and their immediate families receive coverage with private drug insurance through their jobs. But plans vary – they can be lost if the worker quits or loses their job, or even if

they retire. And nearly 42 per cent of Canadian workers don't have workplace drug coverage.

And drug costs are skyrocketing. Rising drug costs are the number one problem for health care spending in this country. These skyrocketing costs are largely the result of new medications – that is more expensive drugs – being brought on the market. The vast majority are not any better than already existing medications. Sometimes, the older and proven medication is safer!

A national drug plan has been promised by successive governments. And yet, Canada remains one of the few industrialized countries without a national pharmacare program.

Instead there is a hodgepodge of provincial and territorial programs providing coverage. Some provinces have relatively good programs while others do not. Where you live or where you work should not be a factor in whether you get the medications you need!

In addition, far too many patients take drugs they shouldn't and others take drugs that cause serious adverse reactions. There are examples of how better team work between physicians and pharmacists can greatly improve the quality of prescribing and reducing overall drug costs.

That is why the National Union is calling for the creation and implementation of a national pharmacare program. Publicly-funded and accountable, a national pharmacare program would go a long way towards improving our Medicare system.

A UNIVERSAL PUBLIC
DRUG PLAN WOULD
SAVE UP TO \$12.7
BILLION

Also, in the best tradition of Medicare, a pharmacare program would be a cost-effective way to control drug costs. It would allow providers to negotiate with drug manufacturers on the best price and it would bring a significant reduction in administrative costs.

Research has concluded that a universal public drug plan would save up to \$12.7 billion a year. These cost savings would be achieved by: eliminating various subsidies; using competitive purchasing; a more rigorous assessment of new drugs; and improved prescribing practices.

Provincial and territorial health ministers have recognized the value of establishing a national pharmacare program. It's time the federal government came on board.

RECOMMENDATION 5

A national pharmacare plan.

Pharmaceuticals are an important part of health care and can often reduce demand for surgeries. Universal first-dollar coverage for cost-effective, safe prescription

drugs will save money and lives. Some provinces are already moving in this direction. It is time that the federal government supports them in their efforts.

Better nursing home care for the elderly

Our older Canadians should not, and must never, be seen as a burden. They worked hard to build Canada into the modern and compassionate country that it is today. They paid their fair share of taxes and they continue to do so. They are a continuing source of wisdom, experience and talent.

Unfortunately, all too often when they need our support the most, our society fails them. In far too many instances, the universality and quality of health care services enjoyed by Canadians end for seniors at the doors of a long-term care facility. Too often long-term care is either unavailable or too expensive for seniors. Frequently hospitals are filling in the gap, adding to the wait time crisis.

PIECEMEAL SYSTEM
FAILS OUR ELDERLY

The National Union has frequently highlighted this failing in our Medicare system. In our report *Dignity Denied*, we provided an in-depth overview and critique of Canada's long-term care system. While researching and preparing *Dignity Denied*, we became even more convinced that the piecemeal system for providing nursing home care to our elderly population was failing many.

ELDERLY FORCED TO
PAY FOR LONG-TERM
CARE

Largely this is as a result of long-term care not being included in the *Canada Health Act* and it is not a fully insured health service in any Canadian province or territory.

Medically necessary services in a hospital are provided from the public purse and yet essentially the same service in a long-term care facility often must be paid for out-of-pocket. Residents living in long-term care facilities must pay far more than the cost of their accommodation.

They must empty their pockets to pay for medical and personal care and are sometimes forced to spend their assets in order to make those payments. These facilities – faced by a lack of funding and resources – often provide the bare minimum of care. Workers caring for the frail elderly are run off their feet. Diapers and other medical supplies are rationed and there is poor food and substandard housing. There are also stories of seniors being defrauded by for-profit owners.

Canada needs a cogent, national long-term strategy to meet the health care needs of seniors. Ottawa has a responsibility to provide adequate and targeted funding for long-term care programs. Provincial and territorial governments also must step up to share the costs and establish clear standards and guidelines governing long-term care.

RECOMMENDATION 6

Better nursing home care for the elderly.

A lack of affordable long-term care spaces results in expensive and lengthy stays in hospital. And many long-term care facilities are struggling with few resources, which impact on the quality of care they can provide. Canada needs a strategy to provide better nursing home care for our elderly.

No health without mental health

NO HEALTH WITHOUT
MENTAL HEALTH

Approximately one in every five Canadians will at some point experience a mental health problem. All of us know a family member, a neighbour, a co-worker or friend who has experienced mental health problems. We know how difficult this can be for the individual involved, their families, friends, neighbours and colleagues.

The social and economic costs to Canada associated with a growing prevalence of mental health conditions cannot be understated. People living with a mental illness have the right to access the services they need. They should be treated with the same dignity that our health care system accords other patients recovering from any other form of illness.

And yet Canada still does not have a national comprehensive strategy for the prevention and

treatment of mental illness—the only country in the G8 without one.

Mental health has often been described as one of the “orphan children” of Canada’s health care system. It is, for the most part, outside of mainstream health care. The result is a patchwork of programs and services. Government cutbacks and privatization have resulted in many Canadians with mental illnesses feeling abandoned, ignored and swept under the carpet. There is a crisis in those services that provide support to people suffering with mental health problems. The services are under-funded and overwhelmed.

Without adequate treatment options, many people with mental health problems end up “falling through the cracks”. All too often people with mental illnesses come into conflict with the law and find themselves in correctional facilities – when appropriate treatment is what they need.

Inadequate access to mental health services means that more people must resort to relying on emergency rooms and hospitals – often when another form of intervention would be better. Not only is this often not in the best interests of the person experiencing a mental health problem, it also means that wait times for other patients become longer.

There needs to be a national strategy to assist in the creation and funding of community-based services, staffed by mental health professionals, available at all hours—from coast to coast.

RECOMMENDATION 7

A national mental health strategy.

There needs to be a national strategy to assist in the creation of community-based services, staffed by mental health professionals, available at all hours—from coast to coast.

RECOMMENDATION 8

Federal funding for mental health services.

The federal government, working with the provinces, needs to step forward with funding targeted to expanding upon and creating new mental health programs across the country.

Medicare:

As sustainable as we want it to be

Canada's Medicare is more financially efficient and has huge administrative savings compared to private, multi-payer systems like the one in the US. The total costs of our system are in line with all other wealthy countries in the world and substantially lower than the US.

At the same time, our Medicare also delivers higher quality care than any private system. Canada's health outcomes on major indicators are a lot better than the US and rank among the best in the world. Medicare also provides businesses in Canada with a competitive advantage and it attracts a lot of jobs to this country because companies don't have to pay for basic health care for their workers.

Fundamentally, our Medicare is as sustainable as we want it to be. How governments spend the taxes they collect from us – and how much they collect – are choices that we, as citizens, direct them to make. The fact is that Canadians have repeatedly said they support our Medicare and want more tax dollars invested in it—not less!

Opponents of Medicare are spreading myths about health care spending being out of control. The truth is there is no cost crisis when it comes to Medicare spending. Total public health care spending, as a per cent of our Gross Domestic Product (GDP), is currently just slightly higher today than its previous peak in 1992.

MEDICARE SPENDING
REMARKABLY STABLE

It is true that public health care has slightly increased its share of provincial government program spending since the late 1990s. Total provincial government health spending has been remarkably stable as a share of GDP in the past 20 years, showing an increase from just under

six per cent in 1989 to just over seven per cent in 2009.

The reason it looks like provincial health spending is soaring out of control actually has nothing to do with health care spending. It looks this way because of cuts in other program spending and dramatic tax cuts. That is to say, the health care slice of the total provincial pie looks bigger because other slices, and the total pie, have been getting smaller, while the health care slice has remained about the same.

CANADA DOES NOT
HAVE A SPENDING
PROBLEM

Canada does not have a spending problem. Total government spending as a share of our GDP has decreased every year since 1992. And Canada has the smallest deficit and debt of all G8 countries! But we do have a revenue problem. Since the mid-90s, all levels of government (municipal, provincial and federal) have cut taxes so drastically that they've reduced their revenue by six per cent of GDP – that's a loss of \$90 billion in revenue every year. That's more than enough money to not only strengthen our current Medicare system but to also expand it.

This point was well presented in a recent report from the Public Services Foundation of Canada entitled *The sky is not falling*. In an extensive look at the data, the report concludes that "Empirical data clearly reveals as false the popular argument that public spending is out of control". In

particular, the Public Services Foundation dedicates a chapter to debunking the argument that health care spending is unsustainable. They point out that, “Total health care costs, and public spending in particular, have been remarkably stable over the last 25 years as a share of GDP and fall comfortably in the mainstream among other wealthy nations”.

At the end of the day, it’s all about priorities and choices. Instead of spending billions of dollars on fighter jets, federal mega-prisons and more corporate tax cuts, we can fund those services that Canadians actually want. There’s more than enough money to protect and strengthen our Medicare – the federal government just has to make it a priority.

RECOMMENDATION 9


Tax fairness and funding for Medicare.

The federal government should examine the tax system to both make it fairer for Canadians and to raise revenues to protect and expand on our public Medicare system.

RECOMMENDATION 10

Negotiate a new, long-term, Health Accord with the provinces.

As the 2004 Health Accord nears its end, the federal government should enter into negotiations with the provinces with the



goal to reach a new long-term agreement with the provinces that includes new monies, a six per cent escalator clause and accountability mechanisms that ensure funding goes to health care needs in the provinces.

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