

A PRESCRIPTION FOR SUSTAINABILITY – JUNE 6, 2002

Executive Summary

Medicare emerged from the 1990s bent, but not broken — in large measure due to the tireless efforts of health professionals whose commitment has always been, first and foremost, to their patients. However, this level of effort cannot continue. Canadian health providers and the facilities they work in are stretched to the limit.

Over the past decade there have been countless studies on what is wrong with Canada's health care system. However, very little action has been taken to solve the problems identified in the reports because very few of these reports provided a roadmap with concrete recommendations on how to achieve change. Furthermore, many decisions regarding the health care system have been made by governments without meaningful input from health professionals. As we indicated in our first submission, there is clearly a need for a collaborative approach to "change management" that is based on early, ongoing and meaningful involvement of all key stakeholders.

However, before consideration is given to how to solve the woes of the health care system, it is essential to establish a shared vision of Canada's health care system. Several attempts have been made to this end; however, few have included health care providers or the public in the process. The CMA has established its own vision for a sustainable health care system, upon which the recommendations we have presented in this submission are based.

To ensure that our health care system in Canada is sustainable in the future, longer-term structural and procedural reforms are required. The CMA proposes 5 recommendations involving the implementation of three integrated "pillars of sustainability" that together will improve accountability and transparency in the system. These pillars would also serve as the basis for addressing the many short- to medium-term issues facing Medicare today and into the future. To this end, we put forward 25 recommendations suggesting specific "hows" for solving these critical problems.

The three "pillars" are: a Canadian Health Charter, a Canadian Health Commission, and a renewal of the federal legislative framework.

A Canadian Health Charter would underline governments' shared commitment to ensuring that Canadians will have access to quality health care within an acceptable time frame. It would also clearly articulate a national health policy that sets out our collective understanding of Medicare and the rights and mutual obligations of individual Canadians, health care providers, and governments. The existence of such a Charter would ensure that a rational, evidence-based, and collaborative approach to managing and modernizing Canada's health system is being followed.

In conjunction with the Canadian Health Charter, a permanent, independent Canadian Health Commission would be created to promote accountability and transparency within the system. It would have a mandate to monitor compliance with and measure progress towards Charter provisions, report to Canadians on the performance of the health care system, and provide ongoing advice and guidance to the Conference on Federal-Provincial-Territorial ministers on key national health care issues.

Recognizing the shared federal and provincial/territorial obligations to the health care system, one of the main purposes of the Canadian Health Charter is to reinforce the national character of the

health system. The federal government would be expected to make significant commitments in a number of areas, including a review of the Canada Health Act, changes to the federal transfers to provinces and territories, and a review of federal tax legislation.

While these three “pillars” will address the broader structural and procedural problems facing Canada’s health care system, there are many other changes required to meet specific needs within the system in the short to medium term. The CMA has provided specific recommendations in the following key areas:

- Meaningful stakeholder input and accountability
- Defining the public health system (e.g. core services, a “safety valve”, Public Health, Aboriginal health)
- Investing in the health care system (e.g. human resources, capital infrastructure, surge capacity, information technology, and research and innovation)
- Health system financing
- Organization and delivery of services (e.g. consideration of the full continuum of care, physician compensation, rural health, the private sector, the voluntary sector and informal caregivers)

The following is a summary of the key recommendations set out in *A Prescription for Sustainability*. While we have put an emphasis on having the recommendations as self-contained as possible, readers are encouraged to consult the corresponding section of this paper as appropriate for further details. The first five recommendations refer specifically to the three pillars. The remaining recommendations address the more specific and immediate needs of the health care system.

Recommendation 1

That the governments of Canada adopt a Canadian Health Charter that

- reaffirms the social contract that is Medicare
- acknowledges the ongoing roles of governments in terms of overall coordination and health planning
- sets out the accessibility and portability rights and responsibilities of residents of Canada
- sets out the rights and responsibilities of the governments, providers and patients in Canada
- provides for a “Canadian Health Commission.”

Recommendation 2

That a permanent Canadian Health Commission be established and operate at arm’s length from governments. The Commission’s mandate would include

- monitoring compliance with the Canadian Health Charter
- reporting annually to Canadians on the performance of the health care system and the health status of the population
- advising the Conference of Federal-Provincial-Territorial Ministers of Health on critical issues.

Recommendation 3

That the federal government undertake a review of the *Canada Health Act* with the view to amending it

- to embody the Canadian Health Charter within it
- to provide for the Canadian Health Commission and
- to allow for a broader definition of core services and for certain service charges under certain terms and conditions.

Recommendation 4

- (a) That the federal government's contribution to the publicly funded health care system
 - be harmonized with the five-year review of the federal equalization program
 - be locked-in for a period of five years, with an escalator tied to a three-year moving average of per capita GDP
 - rise to a target of 50% of provincial/territorial per capita health spending for core services
 - provide for notional earmarking of funds for health.
- (b) That the federal government create special purpose, one-time funds totalling \$2.5 billion over five years (or build on existing funds) to address pressing issues in the following areas
 - health human resources planning
 - capital infrastructure
 - information technology
 - accessibility fund.

Recommendation 5

That a blue ribbon panel of Parliament be established to work with the Canadian Health Commission to review the current provisions of federal tax legislation with a view to identifying ways of enhancing support for health policy objectives through tax policy.

Recommendation 6

That governments and regional health authorities initiate or enhance significant efforts to secure the participation of and input from practicing physicians at all levels of health care decision-making.

Recommendation 7

That all Canadians be provided coverage for a basket of core services under uniform terms and conditions.

Recommendation 8

- (a) That the scope of the basket of core services be determined and be updated regularly to reflect and accommodate the realities of health care delivery and the needs of Canadians.
- (b) That the scope of core services should not be limited by its current application to hospital and physician services, provided that access to medically necessary hospital and physician services is not compromised.

Recommendation 9

- (a) That the scope of the basket of core services be determined and regularly updated by a federal-provincial-territorial process that has legitimacy in the eyes of Canadians – patients, taxpayers and health care professionals.
- (b) That the values of transparency, accountability, evidence-based, inclusivity and procedural fairness should characterize the process used to determine the basket of core services to include under Medicare.

Recommendation 10

- (a) That governments develop a new framework to govern the funding of a basket of core services with a view to ensuring that
- Canadians have reasonable access to core services on uniform terms and conditions in all provinces and territories
 - governments, providers and patients are accountable for the use of health care resources
 - no Canadian is denied essential care because of her or his personal financial situation.
- (b) That legislation be amended to permit at least some core services to be cost-shared under uniform terms and conditions in all provinces and territories.
- (c) That once the basket of core services is defined, minimum levels of public funding for these services be uniformly applied across provinces and territories, with flexibility for individual governments to increase the share of public funding beyond these levels.

Recommendation 11

- (a) That Canada's health system develop and apply agreed upon standards for timely access to care, as well as provide for alternative care choices – a “safety valve” – in Canada or elsewhere, if the publicly funded system fails to meet these standards.
- (b) That the following approach be implemented to ensure that governments are held accountable for providing timely access to quality care.
- First, governments must establish clear guidelines and standards around quality and waiting times that are evidence-based and that patients, providers and governments consider reasonable. An independent third-party mechanism must be put in place to measure and report on waiting times and other dimensions of health care quality.
 - Second, governments must develop a clear policy which states that if the publicly funded health care system fails to meet the specified agreed-upon standards for timely access to core services, then patients must have other options available to them that will allow them to obtain this required care through other means. Public funding at the home province rate would follow the patient in this circumstance, and patients would have the opportunity to purchase insurance on a prospective basis to cover any difference in cost.

Recommendation 12

- (a) That governments demonstrate healthy public policy by making health impact the first consideration in the development of all legislation, policy and directives.
- (b) That the federal government provide core funding to assist provincial and territorial authorities in improving the coordination of prevention and detection efforts and the response to public health issues among public health officials, educators, community service providers, occupational health providers, and emergency services.
- (c) That governments invest in the human, infrastructure and training resources needed to develop an adequate and effective public health system capable of preventing, detecting and responding to public health issues.
- (d) That governments undertake an immediate review of Canada's self-sufficiency in preventing, detecting and responding to emerging public health problems and furthermore, facilitate an ongoing, inclusive process to establish national public health priorities.

Recommendation 13

That the federal government adopt a comprehensive strategy for improving the health of Aboriginal peoples which involves a partnership among governments, nongovernmental organizations, universities and the Aboriginal communities.

Recommendation 14

- (a) That the federal government establish a \$1 billion, five-year Health Resources Education and Training Fund to (1) further increase enrolment in undergraduate and postgraduate medical education (including re-entry positions), (2) expand the infrastructure (both human and physical resources) of Canada's 16 medical schools in order to accommodate the increased enrolment and (3) enhance continuing medical education programs.
- (b) That the federal government increase funding targeted to institutions of postsecondary education to alleviate some of the pressures driving tuition fee increases.
- (c) That the federal government enhance financial support systems for medical students that are (1) non-coercive, (2) developed concomitantly or in advance of any tuition increase, (3) in direct proportion to any tuition fee increase and (4) provided at levels that meet the needs of the students.
- (d) That incentives be incorporated into medical education programs to ensure adequate numbers of students choose medical fields for which there is greatest need.

Recommendation 15

- (a) That governments and communities make every effort to retain Canadian physicians in Canada through non-coercive measures and optimize the use of existing health human resources to meet the health needs of Canadian communities.
- (b) That the federal government work with other countries to equitably regulate and coordinate international mobility of health human resources.
- (c) That governments adopt a policy statement that acknowledges the value of the health care workforce in the provision of quality care, as well as the need to provide good working conditions, competitive compensation and opportunities for professional development.

Recommendation 16

- (a) That a national multistakeholder body be established with representatives from the health professions and all levels of government to develop integrated health human resource strategies, provide planning tools for use at the local level and monitor supply, mix and distribution on an ongoing basis.
- (b) That scopes of practice should be determined in a manner that serves the interests of patients and the public, safely, efficiently, and competently.

Recommendation 17

- (a) That hospitals and other health care facilities conduct a coordinated inventory of capital infrastructure to provide governments with an accurate assessment of machinery and equipment.
- (b) That the federal government establish a one-time catch-up fund to restore capital infrastructure to an acceptable level. (see Recommendation 4(b).)
- (c) That governments commit to providing adequate, ongoing funding for capital infrastructure.
- (d) That public-private partnerships (P3s) be explored as a viable alternative source of funding for capital infrastructure investment.

Recommendation 18

That the federal government cooperate with provincial and territorial governments and with governments of other countries to ensure that a strong, adequately funded emergency response system is put in place to improve surge capacity.

Recommendation 19

That federal government make an additional, substantial, ongoing national investments in information technology and information systems, with the objective of improving the health of Canadians as well as improving the efficiency and effectiveness of the health care system.

Recommendation 20

That governments adopt national standards that facilitate the collection, use and exchange of electronic health information in a manner which ensures that the protection of patient privacy and confidentiality are paramount.

Recommendation 21

That the federal government's investment in health research be increased to at least 1% of national health expenditures.

Recommendation 22

- (a) That the provincial and territorial governments' commitment to funding core services be locked-in for an initial five-year period with an escalator tied to provincial population demographics and inflation.
- (b) That governments establish a health-specific contingency fund to mitigate the effects of fluctuations in the business cycle and to promote greater stability in health care financing.

Recommendation 23

That any effort to change the organization or delivery of medical care take into account the impact on the whole continuum of care.

Recommendation 24

- (a) That governments work with the provincial and territorial medical associations and other stakeholders to draw on the successes of evaluated primary care projects to develop a variety of templates of primary care models that would
 - suit the full range of geographical contexts and
 - incorporate criteria for moving from pilot projects to wider implementation, such as cost-effectiveness, quality of care and patient and provider satisfaction.
- (b) That family physicians remain as the central provider and coordinator of timely access to publicly funded medical services, to ensure comprehensive and integrated care, and that there are sufficient resources available to permit this.

Recommendation 25

- (a) That governments develop a national plan to coordinate the most efficient access to highly specialized treatment and diagnostic services.
 - This plan should include the creation of defined regional centres of excellence to optimize the availability of scarce specialist services.
 - Any realignment of services must accommodate and compensate for the relocation of providers.
 - That the federal government create an accessibility fund that would support interprovincial centres of excellence for highly specialized services.

Recommendation 26

That governments respect the principles contained in the CMA's policy on physician compensation and the terms of duly negotiated agreements.

Recommendation 27

That governments work with universities, colleges, professional associations and communities to develop a national rural and remote health strategy for Canada.

Recommendation 28

That Canada's health care system make optimal use of the private sector in the delivery of publicly financed health care provided that it meets the same standards of quality as the public system.

Recommendation 29

That governments examine ways to recognize and support the role of the voluntary sector in the funding and delivery of health care, including enhanced tax credits.

Recommendation 30

That governments support the contributions of informal caregivers through the tax system.