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For Immediate Release **March 16, 2007**

Health Coalition Slams Private Clinic Proposal &
John Tory's Support for Privatization

Toronto– The Ontario Health Coalition reacted with outrage to Conservative Leader John Tory's statement in favour of for-profit hospital services today.

The coalition called for stronger measures to stop the for-profit privatization of Ontario's hospital services, noting that the for-profit surgical clinic proposal reported in today's Globe and Mail is part of an aggressive campaign by the for-profit industry to gain access to new profit-making opportunities at the expense of the public health system.

"John Tory has just put himself on the record supporting more radical health privatization than even Mike Harris attempted," charged Natalie Mehra, Director of the Ontario Health Coalition. "Today's events show that McGuinty must enact stronger measures to protect the public non-profit nature of the health system."

"John Tory cannot both campaign on tax cuts and for-profit health care since private health care costs demonstrably more than non-profit care. John Tory should know that Britain's introduction of for-profit hospital clinics - identical to the proposed clinics in Ontario - has forced the Blair government to impose tax increases to fund the creation of the parallel private system. Blair is also paying for his private health experiment by closing more than 50 rural hospitals. If John Tory and the Conservatives want this fight in rural Ontario leading into the election, we will take them up on it."

Dr. P.J. Devereaux, at the Department of Clinical Epidemiology and Biostatistics at McMaster University, a noted expert, also expressed grave concern. "It would be very unwise for Ontario to head in the direction of for-profit surgical clinics and hospitals. Research consistently shows higher risk-adjusted death rates and higher costs for care in for-profit versus not-for-profit facilities. The last thing we should do is make the situation worse by introducing private clinics."

"The proposal by the Don Mills Surgical Centre shows the hallmarks of the favoured business model of the for-profit health industry moving into Canada. These clinics maximize profit by obtaining government contracts to provide a steady stream of tax revenue and supplement this with extra user fees for any procedures for which they can charge," noted Ross Sutherland, RN, and Ontario Health Coalition board member. "Such clinics are a significant threat to the public health system and will cost patients more."

“While we are pleased that the McGuinty government is taking a clear stand against for-profit surgical clinics, they are engaging in a model of health restructuring that carries a serious threat of for-profit privatization. We are calling for stronger barriers in the way of the dismantling of the public non-profit system and charging fees to patients,” said Mehra.

Quick Facts:

- The British Medical Journal reported in 2004, that the public health system was charged 47% more for hip replacements performed in private surgical clinics than for the same procedures provided in public hospitals

- Health policy expert and author Colleen Fuller reported in December that the costs for hip replacement surgeries in Alberta were $10,000 in a non-profit hospital and up to $21,780 in the province’s for-profit clinics.

- Patients in BC’s for-profit clinics have been charged between $700 and $17,000 each in so-called “facility fees” which were deemed a contravention of the Canada Health Act.

- The Don Mills Surgical Centre is part of the Alegro Health Group which is traded on the Toronto Venture Stock Exchange (TSX-V).

- The Centre, which has been in existence for 40 years, was bought by Alegro Health Group in 2005. They offer high intensity ultrasound treatments for prostate cancer and which is an experimental procedure, not approved and therefore not covered by OHIP. They also offer other non-insured (non-OHIP) health services for a fee.

- Alegro is a for-profit health corporation focusing on private-payer services. It was incorporated in 2001 and appears to have operating revenues of $12 million per year.

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