

Ontario Health Coalition

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Private Health Clinics Using Manipulative Tactics to Over-Bill Patients: Ontario Health Coalition Report

Ontario Government's Plan to Cut Medical Services from Local Public Hospital and Contract Them Out to Private Clinics Called a Significant Threat to Single-Tier Medicare

Toronto – Six university student researchers spent the last month working with the Ontario Health Coalition calling through 135 private clinics and hospitals in Ontario to find out whether they are charging patients unlawful fees on top of billing OHIP for medically necessary services. Their findings, released today in a report, “For Health or for Wealth?: The evidence regarding user fees and private clinics in Ontario” show that a significant number of private clinics are both billing OHIP and charging patients fees on top ranging from \$50 - \$3,500 or more. The coalition warns that the Ontario government’s new plan to cut medical services from local public hospitals and contract them out to private clinics will result in more user fees for patients unless it is stopped. This is a threat to single-tier Medicare and the fundamental principle of the Canadian Health system that access to care should be based on medical need, not wealth.

Key Findings

- Patients are being charged user fees ranging from up to \$3,500 or more for cataract surgeries, colonoscopies and access to physicians.
- Clinics are engaging in outright violations of the Canada Health Act by charging Ontario residents thousands of dollars for cataract surgeries. These are covered by OHIP and by the prohibition on user fees and extra-billing of patients contained in both Ontario law and the Canada Health Act, and they pay for these services through their taxes. They should not be subject to additional fees to access care.
- Researchers found clinics telling patients that they must pay illegal charges such as \$50 mandatory “administrative fees” for such things as a snack and patient records.
- A very high proportion of cataract clinics charge patients hundreds or even thousands of dollars for medically unnecessary tests and procedures that they co-mingle with the medically-necessary cataract surgery in order to maximize their profits and get around prohibitions on charging patients user fees and extra-billing. The mark ups on these tests and procedures are very high, and the information given to patients about their efficacy and medical need was extremely manipulative in many cases.
- Information given to patients in many clinics is biased towards convincing them to buy unnecessary tests and procedures.
- We found instances of physician self-referral, where staff promoted the private clinic with its extra fees and unnecessary tests and downplayed the availability of free (OHIP-covered) services in local hospitals.
- Patients are confused about what is needed and what is not, and why services are being charged to them.

“We are frustrated that private clinics are manipulating patients into buying medically unnecessary services and downplaying their OHIP-covered services,” said Hanaa Ahsan, a University of Toronto Health Policy student who worked with the Ontario Health Coalition on this report. “This is undermining the Canada Health Act and our public health care system.”

“Our evidence shows that the Minister of Health is not taking enough action to uphold Ontario’s and Canada’s Medicare laws,” noted Natalie Mehra, Executive Director of the Ontario Health Coalition. “User charges, particularly in cataract surgery clinics, are more widespread and higher than ever. Not only has the government not taken firm action on the unethical behavior of these clinics, now they are planning to expand the private clinics sector in which most of the violations of the Canada Health Act are taking place. This is a threat to single-tier Medicare in our province and it must be stopped.”

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