

Take a Stand to Save Our Local Hospitals



Ontario Health Coalition for quality public health care for all

Our local public hospitals are under threat

Ontario's government has announced plans to bring in new legal regulations to cut services from our community hospitals and outsource them to private clinics. These proposals come on the heels of years of cuts to local hospital services. They are all part of a plan to dismantle community hospitals.

"The government's plan is the *opposite* of the vision of a local community hospital where patients can, in one stop, access quality public medical care."



The Ontario Health Coalition is concerned about plans to cut local hospital care. Local hospitals would lose nurses and other care staff. Patients would have to travel further and pay more for care.

It took more than a hundred years to build our local hospitals and the services they provide to our communities. But now, after years of cuts, the government is planning to close local hospital services and move them out to regional clinics owned by private companies.

"It flies in the face of what communities have been building for decades", reports Natalie Mehra, executive director of the Ontario Health Coalition, a public interest group.

"It's the opposite of the vision of a local community hospital where patients can, in one place, access quality public medical care."

Under the government's plan, services that patients need, like MRIs, CAT scans, cataracts, colonoscopies, endoscopies and day surgeries would be cut from local hospitals. Local hospitals would have to reduce the range of services they provide to patients to compete for funding with private clinics. Patients would have to travel from clinic to clinic across a larger region to get care. Local hospitals would lose nurses, surgeons and vital care staff to private clinics that take the easiest and cheapest patients. Heavier care patients would be left for community hospitals with fewer resources to provide for them. And patients face more user fees and extra-billing in private clinics.

Patients charged thousands of dollars for services at private clinics

They were told that private clinics would be faster and cheaper, but patients across Canada and England are finding just the opposite.

Private clinics maximize their profits from charging higher prices to the government health plan (OHIP) and many charge patients extra user fees as well.

In Canada, user fees for medically necessary care are unlawful under the Canada Health Act. Often, private clinics are charging fees to patients in violation of the law.

Here is a sampling of real-world costs billed to patients at private clinics :

\$700–\$1,200 for cataract surgery
\$500 - \$2,200+ for an MRI
\$13,000–\$22,000 for hip surgery
\$350 for a consultation with a specialist
\$1,200 for a colonoscopy

47% more: Private clinics charge the taxpayer-funded public health system in England 47% more than public hospitals for hip replacement surgeries.

Sources: Interviews with private clinics in B.C., Alberta, Quebec and Ontario; the Tyee; British Medical Journal

Cut to the Bone

Since 1990, Ontario has cut 18,500 hospital beds: deeper cuts than anywhere in Canada.

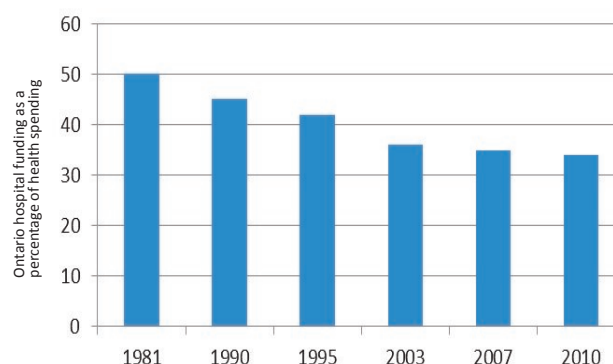
Community hospitals have been the focus of Ontario governments' cuts for years.

In fact, Ontario has cut more hospital beds than any other province in Canada.

We now fund our hospitals at the lowest rate per person of any province in Canada.

Hospital funding has been sharply cut as a share of Ontario's health care budget for 30 years.

Source: Canadian Institute for Health Information National Health Expenditures Database 2011.



Who benefits?

In Canada, we live next to the largest private for-profit health care system in the world.

The United States is home to massive profit-seeking hospital chains and companies that want access to make money from our public subsidies for health care — and they want to bring in U.S.-style charges for patients too.

These corporations, and some home-grown ones also, are lobbying the government to cut and outsource our community hospital services so they can move in and sell health services for their own profits.

Moving Care Further from Home



The Ontario government's plan is to force local hospitals to bid in competition against private clinics for funding dollars to provide services. In order to compete, local hospitals would have to specialize in fewer services. One clinic will specialize in hip and knee surgeries, another hospital will do all the cataracts for the region, diagnostics will be moved to another clinic, and so on. Patients, many of them elderly, will be required to travel further and go to more places to get care.

What does this mean?

Ontario's government funding for hospitals is lower than every other province in Canada. It means that our community hospitals have been forced to cut more beds and services than anywhere else. Private clinics would make this situation worse — taking more funding away from our community hospitals and causing more cuts to our services.

The Simple Truth About Hospital Funding

Ontario's Public Hospital Funding is the Lowest in Canada

Ontario Public Hospital Funding Per Person 2012 Compared to Other Provinces* (Current \$)	
Newfoundland	\$ 2,519
Alberta	\$ 2,194
New Brunswick	\$ 1,962
Manitoba	\$ 1,843
PEI	\$ 1,831
Saskatchewan	\$ 1,784
Nova Scotia	\$ 1,762
British Columbia	\$ 1,557
Quebec	\$ 1,381
Ontario	\$ 1,372
Average Other Provinces	\$ 1,870
Difference Between Ontario and Average of Other Provinces	\$ 498 less funding per person x 13,529,000 people = \$6.7 billion less

*Source: Calculated from Canadian Institute for Health Information Health Expenditures Database (2012)

Want Runaway Health Costs? Encourage Private Clinics

British Columbia has the most private surgery clinics in Canada. Now Ontario's government is proposing to do the same here. Health policy expert and author Colleen Fuller reports on the thousands of dollars —per surgery — in extra costs B.C. residents are being charged at private clinics. Excerpted from The Tyee online newspaper from British Columbia.

Across B.C. there are now 70 surgical clinics, including 23 providing outpatient general surgeries on a for-profit basis. The owners are required by law to protect and promote the interests of their share and equity holders. In plain English, this means each clinic must yield a satisfactory return on investment [profit] to its share/equity holders.

Private surgery bleeds dollars

The international experience with private surgical facilities is that they tend to charge higher prices for the same surgery than in a publicly funded hospital.

Much higher.

The British Medical Journal reported in 2004, for example, that the National Health Service was charged 47 per cent more for hip replacements performed in private surgical clinics than for the same procedures provided in public hospitals. In 2002/03, a coronary bypass operation cost an extra 91 per cent in a private clinic compared to a non-profit hospital.

The experience in Canada is similar. For example, hip replacement surgery in a non-profit hospital in Alberta last year cost a reported \$10,000. Hip replacement surgery in a for-profit clinic can cost up to \$21,780. In Canada's public hospital system, knee replacement surgery, according to the Canadian Institute for Health Information,

averages \$8,002 compared to between \$14,000 and \$18,000 in a private surgical facility.

An estimated 50,000 patients obtained surgery at for-profit clinics in 2005, according to the Vancouver Sun, paying between \$700 and \$17,000 each in facility fees, which in 1995 were deemed a violation of the Canada Health Act.

Publicly funded hospitals are more efficient

Most of the outpatient surgery in Canada is done in non-profit hospitals, but for-profit clinics are waging an aggressive campaign to capture a larger share of the "market." Most peer-

reviewed studies have shown that publicly-funded hospitals are much more efficient and, compared to their for-profit counterparts, provide a higher quality of care at a much lower cost, both in terms of mortality [death] rates and price. In spite of such compelling evidence, some provinces, including our own, are providing space and opportunity to clinic owners.

Private health care, including private health insurance, is unfair and unsustainable. These are some of the reasons we opted for universal medicare in the 1960s. Not only is it a fairer and more just system of providing health care based on need, it is more sustainable.

A Giant Step Towards Privatized Health Care



In the model of private clinics proposed by Ontario's government, there is no legislated protection against for-profit privatization. In fact, the government plans to establish private clinics expressly not under the Public Hospitals Act and therefore without the protections against privatization that exist in the Public Hospitals Act. This is a giant step towards privatized health care.

Already, for-profit corporations are lining up to bid for hospital services and procedures. And despite the fact that the Health Minister has repeatedly promised to protect non-profit care, she has not done so.

Already, all across Ontario, services cut from local hospitals are being privatized to for-profit owned corporations where patients have to pay out-of-pocket for care. Some examples include physiotherapy, endoscopies and cataract surgeries, and there are many more.

Already, the existing private clinics are more likely than hospitals to charge patients an array of user fees and to engage in extra-billing (billing patients on top of OHIP), even in violation of the Canada Health Act's prohibitions on user fees and two-tier health care.

Expanding private clinics would only make this situation worse.

**Our community hospitals
should be supported,
protected and improved.
Not cut and dismantled.**



Private Clinics & Poorer Quality Health Care

In the last two years a flurry of media reports have raised concerns about quality and safety issues in private clinics.

In one well-publicized case, an Ottawa area private endoscopy clinic was found to have failed to properly sterilize equipment resulting in 6,800 patients notified that they should be tested to see if they had contracted HIV or Hepatitis from the clinic.

From 2002-2011 an Ottawa-area private endoscopy clinic failed to properly sterilize equipment. As a result 6,800 patients were notified that they should be tested to see if they had contracted HIV or Hepatitis B or C.

In a 2007 study, it was found that 13 % of colonoscopies conducted in private clinics were not completed (the scope failed to reach the colon). Researchers also found that there are more missed cancers in private clinics than in hospitals.

Private clinics have significantly fewer requirements for quality control than our public hospitals," reports Natalie Mehra, director of the Ontario Health Coalition. "One of the major concerns we share with many hospital surgeons is that these clinics cut corners and do not have sufficient oversight to protect the public."

Our Local Hospitals At Risk

The government's private clinics plan would de-stabilize our local hospitals' budgets, siphoning off the profitable and easy procedures to the private clinics and leaving the hard and costly procedures to the public hospitals.

In England, where they have had more than a decade of experience with this type of private clinics, the evidence is indisputable that the clinics take wealthier, healthier and lighter-care patients, leaving the complex and heavy cases for public hospitals with fewer resources to treat them.

All across Ontario there are shortages of nurses, anesthesiologists, and health professionals. Private clinics worsen wait times by taking scarce staff away from local public hospitals.

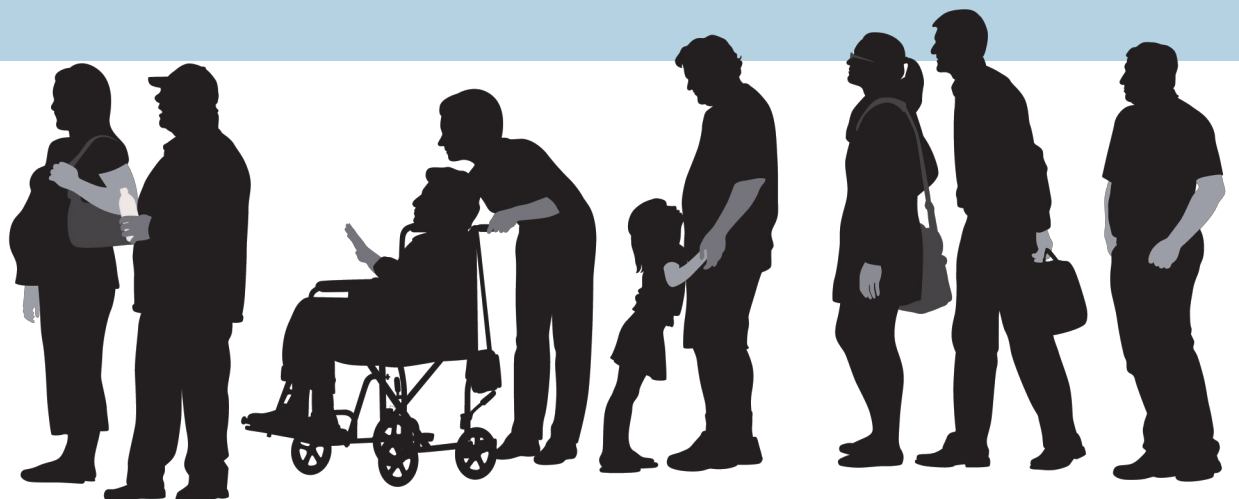
In 2002, the Ontario government contracted private corporations to open several MRI/CT clinics rather than increasing MRI machines in local hospitals. The clinics recruited MRI technologists by taking them away from local hospitals in Toronto, Kingston and Windsor. Several hospitals reported that they were forced to reduce their hours of operation for MRI machines as a result of losing staff to the private clinics.

Private Clinics Take Scarce Staff Out of our Local Hospitals Worsening Wait Times

Private Cancer Treatment Returned to Public Ownership:

Millions in Higher Costs Reports Auditor

In 2001 the Ontario government opened a for-profit cancer treatment centre. It didn't last long. The clinic was closed after only two years following a report from the Ontario Auditor General which found the clinic had been paid \$4 million extra to set up and was being paid a premium of \$500 more per procedure than public cancer treatment centres. Public cancer centres did more to reduce wait times with every dollar of funding they received.



It's About Fairness, Equity & Access to the Care We Need

"Health care should be about promoting health and well-being. It should be focused on providing compassionate care for people when they are elderly, ill, or in need. It should not be about taking profits out of public funding for care.

Fair, equitable, accessible health care cannot be accomplished with private clinics. The evidence is clear that private clinics do not save money. In fact they cost more. Worse, private clinics demonstrate poorer quality of care and more inequitable access to care."

Ross Sutherland, Registered Nurse, MA
Author of "False Positive" a book about the for-profit laboratory industry.
Chairperson of the Ontario Health Coalition

Paving the Road to User-Pay Health Care

How Private Clinics Are Undermining Public Medicare for Canadian Families



Private clinics found to be illegally billing patients hundreds of thousands of dollars; auditor

Mariel Schoof, a resident of British Columbia, was charged more than \$6,000 for sinus surgery at a private clinic. She wrote to the provincial government to try to get reimbursed for her surgery which should have been covered by B.C.'s OHIP plan. The government did not take action against the private clinic. So Mariel did.

She and four other patients have taken their fight to the courts. Finally forced by the patients to take action, the B.C. government tried to audit the province's largest private clinic. The clinic refused to let the auditors in, despite the fact that they bill the public health system for millions of dollars each year. Eventually the B.C. government won access to the clinic for its auditors in court. When they audited the clinic and its sister facility, they found hundreds of instances in which the clinic illegally billed patients.

B.C. is "ground zero" for private clinics in Canada, having gone further than any other province in privatizing its hospital services.

Now Ontario's government is proposing to do the same thing, cutting hospital services and contracting them out to private clinics. But amid promises of reduced waits and faster care, British Columbians are getting a taste of the ugly side of private health care.

In July 2012 the B.C. government released an astonishing audit report about the two private clinics. The audit shows almost half the procedures performed at these for-profit clinics involved some type of direct billing of patients, prohibited by the Canada Health Act which protects patients against user charges and extra-billing by physicians.

Patients were illegally billed at rates far higher than those that the provincial government pays public hospitals for the same services — in some cases up to 500 per cent more.

The audit found nearly \$500,000 in extra-billing within just a small sample of the procedures at these clinics, including at least \$66,000 that appeared to involve double billing (where both the patient and BC's Medical Services Plan—the equivalent to OHIP — were billed for the same procedure). Patients were often illegally billed at rates far greater than allowed under the provincial plan — in some cases up to 500 per cent more.

In one typical example, a patient was billed \$7,215.00 for services for which the province allows only \$1,288.04.

The Commission gave the clinics 30 days to stop their illegal billing. When the clinics' owner refused, the Commission applied for a court injunction to compel compliance. The clinics are fighting the injunction with a court case to bring down single-tier Medicare in Canada.

As B.C. Health Coalition spokesperson Rachel Tutte said, "The government must protect patients from two-tier care that allows special treatment for the wealthy and leaves the rest of us with longer waits, crowded hospitals and declining care." To do so, they must protect and improve our local hospital services and avoid the dangers posed by private clinics.

This story includes excerpts from the Health Sciences Association of British Columbia, Report #3 Volume 33, 2012.

You Can Help to Stop the Dismantling of Our Local Public Hospitals

✓ Contact Ontario's Premier and ask her to stop her government's plans to cut local hospital services and contract them out to private clinics:
Hon. Kathleen Wynne, Premier of Ontario
kwynne.mpp@liberal.ola.org
Room 281, Main Legislative Building, Queen's Park
Toronto, Ontario M7A 1A1
tel: 416-325-1941 fax: 416-325-9895

✓ Join the campaign and help deliver these leaflets to your neighbours, your local social service agencies or seniors centres, and your colleagues at work. Email us at ohc@sympatico.ca to help out.

Friend us on Facebook — go to Ontario Health Coalition
For more information call us at 416-441-2502
or visit www.ontariohealthcoalition.ca