

# Ontario Health Coalition

## Briefing Note

Re. Today's Minister of Health Speech on Health Reform

*January 30, 2011*

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### Process

Minister of Health Deb Matthews made two speeches today at exclusive business and executive audiences to launch a new round of health care reform. The OHC held a media conference and issued a media release last Friday to protest the poor process. The media release from Friday is on our website at [www.ontariohealthcoalition.ca](http://www.ontariohealthcoalition.ca)

In the past, governments have issued "White Papers" prior to major policy changes. There was opportunity for public input and proper legislative debate. Policy changes (such as health reform) are supposed to be created by legislation, with public hearings and healthy public debate. The McGuinty government has sidestepped all of these processes with the Drummond Commission and this launch of new health reform. Moreover, the government's messaging is manipulative, sidetracking from the major cuts they are planning.

All normal democratic processes have been abrogated. The McGuinty government did not mention its plans to engage in major public service cuts and privatization in last fall's provincial election campaign. There are no standing committees of the legislature. There are no proper public hearings. There is no legislative debate. There is no public input. Drummond's mandate is totally biased towards dismantling public services and privatization.

### Content of the Minister's speech

In her speech today, Minister Deb Matthews announced a few new initiatives and a number of re-announcements including:

- 200 family health teams will be under the LHINs (to date, physicians were excluded from the LHINs' powers)
- More hospital services will be moved out to specialized surgical centres (non-profit).
- A "patient-centred" funding model will be introduced. The Minister provided no details. (This could be H-BAM which would be fine as long as it is evaluated based on whether population need for care is being met. However, it might be the opposite: fee-for-service hospital funding which we oppose because it leads to competitive bidding, raises costs, reduces the scope of health care services, leads to privatization, and consolidates services into fewer sites thereby reducing the scope of services in local communities. Britain has adopted this destructive funding system and it helped push a number of hospitals into bankruptcy).
- More emphasis on shifting ALC patients into home care (this is just a cover for cutting hospital services as less than 200 of 4,000 ALC patients are assessed as being appropriate for home care)
- She announced several of other items including continued progress on drug reform.

# Key Issues

Many of the government's messages leading into the Drummond Report release (which is expected any time now) distract from the real issues.

## **The Health Minister Did Not Mention the Major Cuts that are Planned**

Since just before the provincial election, health funding projections have been ratcheted down three times. The latest recommendation from Don Drummond is that health funding be limited to 2.5% -- well below requirements of population growth, aging, and inflation. This means significant cuts. In fact, Ontario's Auditor General issued a report in June. At that time the government was projecting 3% health care funding increases. At that rate, the auditor reported that hospitals would have to carve out \$1 billion in addition to wage freezes over the next two years. OHIP would have to find \$1.5 billion in "savings" over two years. Home and long-term care would not offset the hospital cuts, he warned. He noted that patients would not be able to be moved to home care and long term care because home care projected increases would be 1/3 of what they have been for the last 8 years and those for long term care will be half of what they have been. (Office of the Auditor General of Ontario, "The Auditor General's Review of the 2011 Pre-Election Report on Ontario's Finances", June 28, 2011.)

The bottom line is that major cuts are coming and the government has not revealed what these cuts will be. Media are not asking the questions -- ie. how many hospital beds are they targetting for closure; will they be closing rural emergency departments; how much worse will the 24,000 person wait list for long-term care homes get; how can they claim that home care will take all these hospital patients when there are already 10,000 people on wait lists and care is more strictly rationed than ever?

## **The Government Must Answer Real Questions About Their Intended Cuts:**

### **And the Claim that Home Care will Make Up for Hospital Cuts Simply Does Not Hold Water**

Our key message is this: we need the real answers to the real questions about what services this government is planning to cut. We do not buy claims that home and long-term care will take the cut hospital patients. Over the last 20 years of restructuring, home and long-term care have never kept pace with the hospital cuts. Moreover, as the provincial Auditor General reports, government projections for home and long-term care funding are inadequate to meet current needs, let alone another round of downloaded hospital patients.

## **Physicians Under the LHINs**

We believe it is important that physicians be integrated into the health system. But the LHINs legislation is deeply flawed. The government delayed the required review of the LHINs until after the election (and there has been no word since) in a totally undemocratic amendment that they snuck into an omnibus budget. The LHINs are not required to conduct the primary function of any public health care system: to measure and try to meet population need for care. Their mandate is instead to find endless opportunities to restructure -- including merging, amalgamating, and centralizing health services. This mandate continues to be deeply problematic.

## **Specialized Surgical Centres**

Similarly, while we support the notion that specialized surgical centres be non-profit, we know that such hospital restructuring can cost a fortune (the Harris-era restructuring cost more than \$3.9 billion according to the Provincial Auditor General - see Provincial Auditor General Reports 1999 and 2001) taking money away from care and worsening service. Moreover, this proposal is totally Toronto-centred. In a province with the geography and population distribution of Ontario, consolidating services into fewer highly-specialized sites, worsens access, forcing patients who are mainly elderly to travel from place to place to place to get care, and moving care services out of local communities, further risking the viability of smaller and rural hospitals.

## **There Are Alternatives**

Though the government has not asked and is not conducting any appropriate consultations, we will be releasing a report with alternatives in the next month and will conduct our own consultations on progressive health care reform that is based on providing for the needs of Ontarians under the principles of the Canada Health Act.