Kingston Health Coalition
Protecting public healthcare for all.

MEDIA RELEASE: Kingston Health Coalition responds to Kingston Hospital CEO's Comments on Cataract Surgery Privatization: Invites CEO to a public discussion

Kingston, February 27, 2024 - Following the Kingston Health Coalition's (KHC) release of its analysis of the Kingston Health Sciences Centre's (KHSC) privatization of cataract surgeries, Dr. Pichora, CEO of the hospital, has been quoted in the media dismissing the report's conclusions. He said he "fundamentally disagrees" with the KHC's findings and "has no idea where they get some of their interpretation of the numbers from." The Health Coalition would like to invite Dr. Pichora to a public meeting with the Health Coalition for a full discussion of the issue.

In the meantime, the Health Coalition issued the following corrections and responses to the claims attributed to the KHSC's CEO:

1. The Coalition's report and analysis of the costs of the cataract surgery privatization come directly from data in the contracts and documents from the hospital obtained through a Freedom of Information request by the Kingston Health Coalition. The Health Coalition is happy to share the documents with anyone who would like to see them.

2. Dr. Pichora is quoted in *The Kingstonist* saying "The provincial price [for cataract surgeries] is, I think, something like $505, to the hospital or to Focus." Dr. Pichora further stated that the surgeries have the "same price tag" whether performed at the hospital or the clinic, a price which is covered by the province.

   The documents from the hospital tell a different story. The KHSC is funded $504 dollars per cataract surgery under the Quality Based Procedures (QBP) funding program from the provincial government. The QBP funding system expressly covers hospital overhead costs. Not only did the Ontario Health Coalition confirm this in a meeting with Dr. Alan Hudson, neurosurgeon and former head of the Ontario Wait Times Strategy, who developed the QBP program for the province, it is also spelled out clearly in the Ontario Hospital Association's fact sheet on the QBP funding system:

   > "This approach used total costs which included both direct (e.g. salaries, supplies) and indirect (e.g. education, administrative and support services, research) costs."

   Whether in a private clinic or in a public hospital, the surgeons also bill OHIP for the surgery, and it is the same rate ($397.75 for a basic cataract including insertion of intraocular lens). Again, for clarity, the QBP is on top of the OHIP billing rate for surgeons, and it covers the hospitals' overhead costs.

   The documents show that KHSC essentially transfers its $504 QBP funding to Focus Eye for the surgeries performed at the for-profit clinic, but that is not all. On top of this, the hospital applied to the province and obtained an extra $200 per procedure to be paid to the private clinic. Further the provincial grant paid $213,300 for additional costs required to coordinate activities between the Focus facility and KHSC.

   When all of this is totaled, cataract surgeries at Focus Eye Centres (FEC) cost $786 per procedure in the first two years of the arrangement (up to September 2023) compared to $504 dollars per procedure in the hospital: a 56% higher cost.

In other words, whether the work is done at the hospital or at the clinic, the operating costs are covered by the QBP funding. Which leaves the question: Why is the province willing to pay an the extra $282 per procedure at the private clinic (56% more), rather than at the hospital, and what does the for-profit company use that money for? There are no details in the hospital's media response answering these questions.

3. Dr. Pichora's claim that patients have to wait for surgery at KHSC or have it performed privately at their own expense is false. As Dr. Pichora must know, it is both unlawful under the Canada Health Act to charge a patient for a needed surgery in Ontario and illegal under the Commitment to the Future of Medicare Act (Ontario), regardless of whether that surgery is done in a private clinic or a public hospital. Patients who are being extra-billed and subject to user fees in private clinics are being charged illegally. Those clinics should be fined and stopped. We hope Dr. Pichora will ensure in the future that he not misinform patients about their rights under our Public Medicare laws.

The Alternatives

The privatization of hospital cataract surgeries to FEC cost $732,000 more than if the same surgeries had been done in the hospital. The list of other items this money could have been spent on, rather than building up a for-profit company is long, but includes, increasing funding to the hospital for hospital services, retaining and expanding staff, expanding operating room capacity, or helping meet the many needs in the health care system that the province says it cannot afford.

There are alternatives that would reduce wait times, save money and strengthen our public health care system.

A. **Use existing hospital operating rooms**. Kingston Health Sciences Centre's cataract surgery operating rooms only operate from 7:30 to 3:30 during the week and are closed on the weekends. The cheapest and fastest way to rapidly increase the number of cataract surgeries would be to open one of these rooms on a weekend day and/or for a few extra hours during the week. The hospital chose not to do this and Dr. Pichora argues, in the media, that it is hard to get nurses and surgeons to work extended days or on the weekends. The hours staff work is largely a question of leadership and pay. With proper pay staff, as most hospital staff do, will work shifts, including weekends and evenings. Underfunded hospitals and poorly compensated staff, make this choice harder. Also, if more staff are needed to meet a well-documented growing medical need, then hiring more staff is needed. Asking for volunteers and/or overtime hours is, at best, a short-term strategy and short sighted.

The $282 extra per procedure that is paid the use the for-profit facility means approximately $564 dollars more per hour (two procedures per hour) that could have been paid to the hospital easily covering any shift premiums or overtime costs needed to expand the use of hospital operating rooms: ORs that are already heated, have electricity, and have adjacent sterilization equipment.

B. **Increase hospital infrastructure to meet medical need.** It is important to note that the hospital's cataract surgery privatization did not increase the number of cataract surgeries done in the Kingston area. It only moved surgeries that had already been allocated to the hospital into a for-profit clinic at extra cost. A significant part of the problem is underinvestment in the hospital infrastructure.

The problems with capacity for cataract surgeries were known before the pandemic and steps could have been taken then, as they could be taken now, to expand capacity in the public system. The province could fund the use of regional hospitals like the Lennox and Addington County General Hospital in Napanee to do cataract surgeries, which it had done before that work was moved to KHSC. Providing this service in Napanee would meet the needs of many people from the west end of Kingston through to Deseronto and Prince Edward County. It would also help strengthen that hospital, which is important to the Napanee community.

As a teaching hospital with a very well-respected ophthalmology program, the hospital could have (and maybe still should) establish a regional ophthalmology center as a hospital division, that is fully integrated in the hospital, to expand both the surgical capacity, and the research and teaching opportunities. There is no need to pay extra to a have a for-profit corporate chain involved in this process.

Regardless of the wisdom of using FEC to maintain capacity during the pandemic, now that the pandemic-induced loss of capacity has passed, the hospital should be taking any steps to increase its public capacity and end its relationship with FEC.

Contract Irregularities

The hospital has not addressed concerns raised by the Health Coalition over contract irregularities. Proper extensions in the contract are in doubt. Is it a temporary "occupancy agreement", or a more in-depth, long-term privatization? What options were considered? How were decisions made? Was there a violation of the Public Sector Accountability Act? Without transparency there cannot be public accountability, or trust, that decisions are being made only in the public's interest.

In conclusion, the findings of the Kingston Health Coalition align with 30 years of research on for-profit delivery of health care that shows privatization to be more expensive, more inequitable, and of lesser quality. The evidence is clear that privatization decreases access and undermines democratic decision making.