

Ontario Health Coalition

TABLE

Liberal P3 model as compared to public hospital model		
Public Hospital	Original P3 Model	Liberal P3 Model
Public Finance - financing of hospital from combination of provincial/federal grants, local charitable giving. Financing is accounted for on public accounts.	Private Finance - financing of hospital from financier as part of consortium of private corporations. Financing is paid off through 20 - 60 year lease deal starting after construction is complete. Financing is not accounted for on public accounts.	Private Finance - model is not disclosed. McGuinty referred to "mortgage-like" deal. Private financier is still part of consortium. Likely, financing paid off through long term mortgage deal. Since deficit is used as justification, likely financing is not accounted for on public accounts.
Public Ownership - hospital board wholly owns hospital and is accountable to Provincial Health Minister	Private Ownership - consortium owns hospital and leases it back to hospital board for duration of lease after which lease could be re-negotiated or hospital board could gain ownership. Unclear whether additional payment for ownership	Unclear - Details have not been disclosed. Possible that if the deal is structured like a mortgage, hospital board will own title to property while financier holds the mortgage. Unclear who gets ownership if payments not made. Unclear who

	necessary.	holds liability. Unclear whether payment starts before hospital is complete. Unclear what control hospital board will hold. Unclear whether this will amount to more control than lease-back arrangement. Unclear whether this is more expensive than a lease-back arrangement.
Management and Services Non-Profit and Controlled by Hospital Board - property management non-profit and most services non-profit.	Management and Services For-Profit and Controlled by Consortia through lease arrangement - - deep privatization of management and services.	Management and Services For-Profit and Controlled through "mortgage-like" deal -- the hospitals have already announced deep privatization of management and services.
Land Publicly Owned	Land Deals deeply commercialized where possible.	Not clear — appears commercialization of ROH land deal is continuing.
Operational Budgets Separate from Capital Funds for Building.	Lease deals paid out of operating budgets of hospitals.	Not disclosed. However, no new financing announced. Therefore no option but to pay capital costs out of operating budgets.
No Private Consortia involved.	Private Consortia designs, builds, owns and operates hospital. Consortia holds ownership and operation of hospital and	It appears that the model being negotiated has the Private Consortia design, build and operate hospital and services for duration

	services for long term lease deal.	of mortgage deal.
Potential for public disclosure of hospital operations and budgets. Some democratic control over hospital boards. Potential for more democratic control and accountability.	High level of secrecy - deals are veiled from public view by "commercial confidentiality". Little potential for improved democratic control and accountability. Consortia are accountable to investors not communities.	High level of secrecy - no disclosure of key elements of model, cost, timelines, scope of privatization. Deals to be disclosed after they are signed. So far no democratic control or accountability. Consortia are accountable to investors not communities.

[Click here to view Liberal pre-election commitments on P3s.](#)

Ontario Health Coalition
15 Gervais Drive, Suite 305
Toronto, Ontario M3C 1Y8
www.ontariohealthcoalition.ca
phone: 416-441-2502
fax: 416-441- 4073
email: ohc@sympatico.ca