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Ford Government Expanded For-Profit Hospital in Violation of the Law and While Lying to the Public:

Health Coalition and Democracy Watch Call for Concrete Measures to Protect the Public Interest in Wake of Revelations about Former Health Minister Lobbying for For-Profit Hospital

Toronto—The revelation that former Health Minister Christine Elliott has registered as a lobbyist for a for-profit hospital known as Don Mills Surgical Unit, now owned by Clearpoint Health Network, has raised serious questions about ethics and conflict of interest. The Ontario Health Coalition has looked into the funding increases given to that for-profit hospital during Christine Elliott's tenure as Minister, and the restrictions on expanding for-profit hospitals. The Coalition is raising questions about why Don Mills Surgical was singled out for special treatment, receiving huge funding increases and an increase in its size, despite legislation forbidding expansion of private for-profit hospitals. CBC also revealed last week that the private hospital is being paid more than double per surgery than public hospitals.

The facts:

- The Coalition found that private for-profit hospital Don Mills Surgical Unit, now owned by Clearpoint, was expanded from three operating rooms in 2019 and mainly outpatient surgery unit, into a 20-bed inpatient unit hospital with 6 operating rooms and 7 recovery bays currently. This, despite the fact that the Private Hospitals Act in Ontario forbids expanding for-profit hospitals under Subsection 22 (1) and (6). The Act, amended in 1971, imposed a ban on any new private hospitals and forbids the expansion of the existing for-profit hospitals, grandfathered in under the legislation. While such expansion of a private hospital is clearly unlawful, any renovations or alterations to a private hospital also requires the express written approval of the Minister under the Act.
- A recent <u>report from the Canadian Centre for Policy Alternatives</u> found, through Freedom of Information requests, that the Don Mills Surgical Unit received a 278% funding increase between 2017-18 the year the Ford government was elected and 2021-22. Christine Elliott was Health Minister from 2018 2022 (page 20).
- An investigative report by CBC found that Don Mills Surgical (aka Clearpoint) is being paid more than double
 what public hospitals are funded for the same surgeries. For example, Don Mills Surgical is being paid \$1,264
 for cataract surgery while public hospitals are getting \$508, and Don Mills Surgical is being paid \$4,037 for
 knee arthroscopies while public hospitals are getting \$1,692.
- In the lead in to the last election, the government <u>lied to the public stating categorically that they were not expanding private hospitals and clinics</u>. In one example, a Ministry spokesperson told the media: "These claims are categorically false...To be clear, the government is committed to supporting the province's public health care system. The use or function of private hospitals and independent health facilities in Ontario is not being expanded or changed." https://www.therecord.com/news/waterloo-region/2022/03/17/privatization-of-health-care-claims-are-categorically-false-ministers-spokesperson-says.html
- <u>Subsection 18(4)</u> of Ontario's Members' Integrity Act prohibits former Cabinet ministers from ever making representations to the provincial government in relation to a transaction or negotiation that the minister was substantially involved in as a member of the Cabinet, if the representation could result in a specific benefit for a person or entity. Subsection 18(5) states that it is an offence to violate subsection 18(4) that is punishable by a fine of up to \$50,000.

The Coalition held a press conference along with legal expert on conflict of interest and integrity legislation, Duff Conacher, Co-founder of Democracy Watch, to release their findings and lay out what the government and Ontario's Integrity Commissioner must do in response.

"The expansion of the remaining two private for-profit hospitals is expressly forbidden under the Private Hospitals Act, which banned any new private hospitals in 1971 and barred the expansion of the existing few that were grandfathered in," said Natalie Mehra, executive director of the Ontario Health Coalition. "For-profit hospitals were banned for good reason and it is unlawful to expand them. In fact, the Ford government expressly denied such expansion leading into the last election, even while they were doing it. The fact that the former Health Minister expanded a for-profit hospital, gave them an extraordinary funding increase of 278%, and the government is paying them more than double the rate of our public hospitals for the same procedures is terrible public policy. Add to that, the former Minister has now registered to be a lobbyist for Clearpoint, the parent company of the private hospital, and it rises to the level of very serious questions that *must* be answered by the Ford government about integrity and ethics."

"Integrity Commissioner J. David Wake has refused for the past seven years to enforce the clear rule in Ontario's lobbying law that prohibits lobbyists from placing politicians and public officials in a real or potential conflict of interest, and has let dozens of lobbyists, including Christine Elliott, violate this rule and corrupt provincial government policy and spending decision-making processes," said Duff Conacher. "Democracy Watch has filed several lawsuits challenging Commissioner Wake's negligently bad rulings, but he should not wait for the courts to strike down his rulings and should instead do the right thing by making it clear that anyone who has been a Cabinet minister or worked for the Premier or a minister cannot lobby the government for several years afterwards, and anyone who has assisted, fundraised, campaigned or worked for any political party, politician or their riding association cannot lobby them for several years afterwards."

Former Health Minister Christine Elliott <u>has claimed</u> that she did not participate in decisions concerning funding for specific institutions. It is difficult to believe that she would not be involved as Health Minister in such decisions and, given Ms. Elliott has <u>become a lobbyist for Clearpoint</u>, owner of Don Mills Surgical Unit Ltd. whose funding the Ford government <u>increased by at least 278% while she was Health Minister</u>, a full investigation is warranted.