

Briefing Note



Doug Ford's Health Care Cuts, Changes & Restructuring to date

May 23, 2019

List of Cuts, Closures, Restructuring & Major Health Policy Changes to Date

- Cut OHIP+ so families with sick children will have to seek private coverage first and pay deductibles and co-payments. (June 2018)
- Cut planned mental health funding by more than \$330 million. (July 2018)
- Canceled all new planned overdose prevention sites. (autumn 2018)
- Cut funding to the College of Midwives of Ontario. (December 2018)
- Cut funding for the dementia strategy.
- Let surge funding run out for hospital overcrowding. Surge beds are now closed without replacement, despite overcrowding crisis. (Fall/Winter 2018/19)
- Cut and restructured autism funding. (Winter 2018/19)
- Set overall health funding at less than the rate of inflation and population growth, let alone aging. This means service levels cannot keep up with population need. (2019 Budget)
- Set public hospital funding at less than the rate of inflation. This means real dollar (inflation adjusted dollar) funding cuts and serious service cuts. (2019 Budget)
- Introduced Bill 74, which gives sweeping new powers to the minister and Super Agency to force restructuring of virtually the entire health system. (February/March 2019)
- Municipalities revealed Ford government plan to cut and restructure ambulance services, down from 59 to 10. (April 2019)
- Leaked document reveals plans to cut half a billion dollars in OHIP services. On the chopping block are sedation for colonoscopies, chronic pain management services and others. Plans will be made this spring/summer. (April 2019)
- Cut OHIP funding for residents travelling out of Canada. (May 2019)
- Cut 44 positions at the Ontario Telemedicine Network (OTN) –provider of video medical services -- which previously employed 265 people. In other words, 1 in every 6 telemedicine staff positions are being cut. The official dollar figure has not yet been released, but, OTN received \$42 million in provincial funding 2017-18, nearly all came from the Ministry of Health. (May 2019)
- Set 2019 land ambulance grant funding at less than the rate of inflation. This means real dollar cuts to ambulance services. The City of Toronto has calculated the value of these cuts to amount to \$4 million for Toronto alone. (April 2019)
- Plans to reduce the number of Public Health Units from 35 to 10. Cut 27%, or \$200 million, of provincial funding for public health. Toronto Public Health has been particularly hard-hit. The city of Toronto has calculated the cuts to amount will amount to \$1 billion over a 5-year period. Ford government disputes these figures. (April 2019)
- Cut more than \$70 million from eHealth's budget. (May 2019)
- Cut almost \$53 million from the Health System Research Fund, a fund dedicated to research relevant to provincial policy and health-care system restructuring. (May 2019)
- Cut \$5 million in annual funding for stem-cell research at the Ontario Institute for Regenerative Medicine. (May 2019)
- Cut \$24 million in funding for artificial intelligence research from the Vector Institute for Artificial Intelligence as well as the Canadian Institute for Advanced Research. (May 2019)

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Serious Threat of Health Privatization

In Bill 74 the Minister of Health has given herself and the Super Agency vast new powers to order and otherwise force the privatization of most of our health care services. Opposition parties have asked direct questions about private surgery clinics bidding to close down and take over our local hospital services and neither the Premier nor Health Minister will say that they will not privatize. In documents being circulated from municipalities, Ford's plans may include privatization of parts of ambulance services. In the leaked documents from the Ontario civil service in February, plans were revealed to privatize eHealth, laboratories, air ambulance, long-term care inspections and other services. At no time, under questioning by media and opposition parties, will this government clearly promise not to hand over ownership of our public health care services to private for-profit corporations. The signs of impending privatization are serious.

Ambulance Cuts/Restructuring

Ford's plans, revealed by municipalities, include cutting the number of local ambulance services from 59 to 10 as well as the number of local dispatch services. These cuts will be particularly devastating to rural and smaller communities which are already suffering from a shortage of services. The Ford government's restructuring plan does not address any of the causes of too-long EMS response times; it does not ameliorate services even where there is evidence of significant need. The current EMS system in Ontario was created by Mike Harris' restructuring in the 1990s. The evidence from that round of restructuring is that costs grew dramatically post-restructuring. Ford's plans for further centralization of ambulance services and cuts also threaten to deepen inequalities between rural and urban communities: "Cutting and centralizing the ambulance services down to ten giant regions means that smaller rural and northern communities will be lesser priorities and risks their service levels," warned OHC executive director Natalie Mehra.

An EMS vision-Ontario 2050 Report came out after the 2018 provincial election, penned by owners of a private, for-profit, ambulance company. The report set out a map towards privatization of land ambulance services. It suggested Ontario could "save" \$200 million by consolidating over 50 provincial paramedic services into only 10, run by a single Commission. The fact that the

government announced that 59 provincial paramedic services will indeed be consolidated into 10 as the report suggested has led to concerns that the privatization of EMS services is part of Ford's agenda. The report has also mentioned a plan to reduce the number of Public Health Units from 35 to 10 - a plan that is being implemented by the Ford government.

Public Health Cuts/Restructuring

Severe cuts amounting to almost one-third of provincial funding for public health threaten vital local services including food and water safety, infectious disease tracking and prevention, immunizations, prenatal training and safety, overdose prevention, safe needle and biohazard programs and many others.

In the 2019 Provincial Budget it was revealed that the Ford government plans to cut provincial funding for Public Health by 27 per cent and cut the number of local Public Health Units from 35 to 10. In early May, the government made public their plans for the closures/takeovers/mergers of local public health units. There has been no public consultation on this major change even though municipalities match provincial funding for public health, thereby providing half of public health funding. Municipalities were not consulted, public health experts including nurses and doctors who specialize in public health were not consulted, nor were affected communities or Ontarians who fund and rely on Public Health services. The plans that have been revealed to date follow here. In response to pressure, the Ford government is now saying that these are not finalized. However, there is no public process, no written plan that measures or mitigates the impact on the people of Ontario, no plan for consultation, no clear timeline. In fact, no normal processes for public health care planning are being followed whatsoever.

The following will be the results of the planned takeover/mergers/closures of Public Health Units if they are forced through by the Ford government:

- Middlesex London Health Unit, Southwestern Public Health Unit, Windsor-Essex County Health Unit, Chatham-Kent Public Health Unit and Lambton Public Health Unit will be forced into a single regional Public Health Unit covering 1.3 million people.
- Bruce Grey Health Unit, Huron County Health Unit and Perth District Health Unit will be forced into a single regional Public Health Unit covering 300,000 people.

- Public Health Sudbury and Districts, Algoma Public Health, North Bay-Parry Sound District Health Unit, Timiskaming Health Unit, Porcupine Health Unit, and Simcoe Muskoka District Health Unit will be forced into a single regional Public Health Unit covering 625,000 people.
- Thunder Bay District Health Unit and Northwestern Health Unit will be forced into a single regional Public Health Unit covering 228,000 people.
- Waterloo Public Health Unit, Halton Public Health Unit, Peel Public Health Unit, and Wellington-Dufferin-Guelph Public Health Units will be forced into a single regional Public Health Unit covering 2.94 million people.
- Hamilton Public Health Services, Niagara Region Public Health Unit, Brant County Health Unit, and Haldimand-Norfolk Health Unit will be forced into a single regional Public Health Unit covering 1.4 million people.
- Ottawa Public Health Unit, Eastern Ontario Health Unit (Prescott-Russell, Cornwall), Smith Falls Health Unit, and Kingston, Frontenac, Lennox and Addington (KFL&A) Public Health will be forced into a single regional Public Health Unit covering 1.6 million people.
- Peterborough Public Health, Haliburton, Kawartha, Pine Ridge (HKPR) District Health Unit, Hastings Prince Edward Health Unit, and Durham Region Health Unit will be forced into a single regional Public Health Unit covering 1.2 million people.
- York Region Public Health and Simcoe County District Health Unit will be forced into a single regional Public Health Unit covering 1.7 million people.
- Toronto Public Health will serve 2.9 million people.

Overall Cuts/Restructuring

The Ford government is now clearly embarking on the most aggressive and radical health care restructuring that Ontario has ever seen. Previous large-scale restructuring in Ontario undertaken by the Mike Harris government involved province-wide hospital restructuring, including hospital mergers and closures of dozens of local hospitals. It ultimately did not reduce administrative costs as was promised. In fact, it cost \$3.9 billion. That is \$3.9 billion, according to the Provincial Auditor General, to cut \$800 million from public hospitals. The restructuring costs were made up of laying off staff, moving buildings, renovating and rebuilding, re-hiring staff, renaming services, re-doing letterheads and communications systems and so on. The evidence is indisputable that those costs were lost to health care and were never recouped. Moreover, restructuring led to for-profit privatization and new user fees for an array of services. The costs were never recovered and many of the current problems that we face in health care can be traced back to the last two rounds of restructuring.

Bill 74 - Most Radical Restructuring in our Province's History

In the last few months plans have been revealed that expose the Ford government's intent to undertake the most radical health care restructuring in our history. Bill 74, the so-called "People's Health Care Act" has been passed through the Legislature by the majority Ford MPPs against strong opposition. It does not improve a single health care service. What it does is create one mega-merger of 20 agencies into a Super Agency and give extraordinary restructuring powers to the government. This new law launches restructuring for hospitals, long-term care, home care, community mental health and addictions, community care, cancer care, palliative care, labs, eHealth, air ambulance, community health centres, home care, non-profit primary care and more. The Health Minister has revealed her plan is to restructure 1,800 health service providers down to 30 – 50 conglomerates. That's not all though. In the Provincial Budget, plans to cut Public Health by almost 1/3 of provincial funding (27%) and reduce Health Units from 35 to 10 were revealed. Then, municipalities revealed the Ford government's plans to restructure ambulance services from 59 down to 10.

Sweeping new powers to force mega-mergers, transfer services from one community to another, close services, privatize services

The new law gives sweeping powers to the Minister and the government appointees in their new Super Agency to force through mergers, mega-mergers, amalgamations, transfers of services, closures of local services, and entire closures of service providers. In five separate areas in the legislation these restructuring powers enable the government, its appointees, and health service providers to transfer our public and non-profit health care services to for-profit companies. Already for-profit hospital companies are making bids to take over surgeries in London Ontario.

Unfettered powers to force health care providers to restructure, close, privatize

The legislation allows the Minister and the government appointees that run their new Super Agency the power to order, direct and coerce (using their funding power) local providers of service to comply with these restructuring edicts and pressures. It does this in multiple sections of the legislation. In most of these sections there is no fetter on these extraordinary powers and no public process. It takes away any last

vestiges of local control over health care. They can close a hospital with the stroke of a pen, move a service to another town or close it entirely, order the privatization of all labs or all surgeries, for example. It is truly shocking.

No public interest protections, no appeals, no access to information, no clear rulings: worst ever

There are no public interest protections in the legislation. There is no public notice at all for most of the sections that give new restructuring powers. There is minimal public notice in one section. There is no right to appeal anywhere in the legislation. There is no public access to documents anywhere in the legislation. The new Super Agency is not subject even to the conflict of interest rules of the Ontario Public Service. There are no principles to guide restructuring. There is no requirement that any one, not the Minister, not the Super Agency, no one, actually measure and plan to meet population need for health care, protect any local health services at all, ensure that patients have access to care, worry about the workforce that will be subject to massive upheaval. There are no procedural protections whatsoever.

Who's Who:

A primer on Doug Ford's insiders and the pro-privatization forces in government

Charles Lammam, formerly of the extreme right wing Fraser Institute, is now the Director of Policy (2nd highest staff position) in the Health Minister's office. The Fraser Institute has spent years trying to dismantle Canada's social programs and one of their prime targets is health care. The Fraser Institute has been funded by the American Koch brothers (fundors of the Tea Party) among others.

Shelly Jamieson, one of Ford's appointed board members of the new Super Agency, is the former president of Extendicare, a for-profit long-term care home giant. She was on the Mike Harris government's Restructuring Commission that ordered the closure of >40 hospitals and thousands of hospital beds. After this she moved to Extendicare which gained from the subsequent expansion of long-term care. Now she is on the new Super Agency, this government's health restructuring board.

Elyse Allan is on the board of Brookfield Assets Management and the right-wing pro-privatization C.D. Howe institute and was recently on the pro-corporate Board of the Conference Board of Canada, the Chamber of Commerce and more.

Other board members include people from banks and private corporations including Real Estate Investment Trusts and others with direct interest in health care privatization.

In July, Doug Ford appointed Rueben Devlin, former president of the Ontario Conservative Party to be the Chair of a new Premier's Council on Improving Health Care & Ending Hallway Medicine and Special Advisor on Ending Hallway Medicine. The positions come with a \$348,000 per year salary for the Conservative stalwart who was president of the party during the Mike Harris era during which the government spent \$3.9 billion closing and merging hospitals in an attempt to cut \$800 million from their budgets. That was the most radical restructuring of public hospitals in the country's history at time. Rueben Devlin is also the former CEO of Humber River Hospital where he presided over the closure of three hospitals. The three were replaced with one privatized P3 hospital at an eye-popping \$1.76 billion due to the exorbitantly expensive P3 financing and privatization model. In so doing, Devlin closed down a hospital in one of the poorest neighbourhoods of the city. The new P3 hospital did not have enough capacity to serve its population and last fall the former Liberal government reopened one of the closed-down sites in order to deal with patients waiting on stretchers in hallways for care.

Gordon Campbell: Not only does he have an abysmal record on financial matters, but the former B.C. Premier, whom Doug Ford appointed to lead Ford's fiscal inquiry in Ontario, is perhaps the biggest enemy of public health care in Canada. It is now apparent that Campbell's model of health cuts and privatization may be the model that Ford is copying here. Campbell set the stage for the biggest growth in for-profit privatization of hospital care in Canada, private clinics in BC openly charge patients thousands of dollars in violation of the Canada Health Act as a direct result of his policies, he cut and closed local hospitals, systematically appointed pro-privatization health board people, fired thousands of hospital support staff and privatized their services. He routinely supported private for-profit interests in pharmaceutical policy and health care against the public interest. The extreme right-wing Fraser Institute loves him, but his record on finances is terrible. Not only did he do all these terrible things in health care, he wiped out a \$1.5 billion surplus he inherited when he took government, then went on to post the largest deficits in the B.C.'s history up to that time, and added \$20 billion to the province's debt.