



# dialogue

January 4, 2007

A bi-weekly update on issues  
affecting health care in Ontario

**Long Term Care Homes Act 2006**

[http://www.health.gov.on.ca/english/public/legislation/ltc\\_homes/ltc\\_homes.html](http://www.health.gov.on.ca/english/public/legislation/ltc_homes/ltc_homes.html)

## Canadian system discredited to thwart U.S. health reforms?

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Tom Campbell, a former deputy minister of health (1979-81) under the Bill Davis government, recently stirred health care debate after a Jan. 2 *Globe and Mail* article. Campbell advocates to:

- fix health care funding to the current percentage of the province's economic output (GDP);
- make Ontarians pay for any health services up to a pro-rated annual maximum (suggesting \$2,500 for the highest tax bracket, zero for anyone who earns less than \$25,000 per annum);
- remunerate hospitals for services performed, rather than on the present global funding model;
- deregulate enrolment and fees for medical school.

Despite arguing two years earlier for more public control of hydro, the former public servant calls for less government involvement in health care, including an arms-length board to determine how health funding is distributed.

The article is but one of a recent assault on public health care by pro-market, pro-privatization advocates in the mainstream Canadian media. By coincidence, the U.S. media has been simultaneously questioning why their own private system shouldn't be abandoned for a more efficient one like Canada's. It raises the question: is the recent assault on our own system the bi-product of U.S. internal politics?

Americans pay more per capita for health care than anywhere on the planet. They have among the worst infant mortality and life expectancy rates of developed countries. More than 46 million Americans (including 8 million children) are presently without any kind of health insurance.

In 2003 the *New England Medical Journal* published a Harvard study that revealed 31 per cent of health care costs in the U.S. were being swallowed up by administrative costs such as complicated bill-paying systems and marketing.

The impetus for change may stem from the increasing number of more affluent Americans who are unable to purchase health insurance due to their medical history. While companies refuse to insure high-risk Americans with cancer, epilepsy and AIDS, carriers are also denying coverage to individuals with more common ailments, including ear infections, varicose veins, and mild depression. One refusal letter even noted "jock itch" among its reasons for turning down an applicant.

"If a person has taken virtually any medication, they are going to be turned down," a vice president of the California Association of Underwriters recently told the *New York Times*. "If people have had any psychological counseling at any time in recent history, they are going to be turned down."

Democrats in the U.S. Congress are calling for universal coverage for American children. Presidential candidate John Edwards began his campaign with a call for universal health care. Massachusetts already has a plan to cover all its uninsured residents, and other States are looking at similar plans.

While the U.S. debates its own inefficient model, ideological advocates in Canada continue to challenge the public system. If Canada's system looks more flawed than reality would indicate, it may aid those to the south arguing to keep health care private and profitable for the few, and out of reach for the many.

### Is health care spending out of control?

Tom Campbell (see story at left) implies the present spending as a percentage of the economy should be frozen, yet spending as a proportion of gross domestic product (GDP) has barely changed over the last three years. In 2004, total health spending — both public and private — represented 10.2% of GDP in Canada. In 2006 it is forecast to be 10.3%. After being adjusted for inflation, real growth in health care spending was 2.8% over each of the last two years. Real GDP in Canada increased by 2.9% in 2005, and has been recently forecast to be 2.6% in 2006.

### Hearings on new long term care act

The Ontario legislature is holding hearings on Bill 140 — the new long term care act — later this month in Kingston, Sudbury, London and Toronto. While the health minister promised a "revolution in long term care," the bill is long on patient rights and short on any commitment to quality care. Missing is any minimum staffing standards — something the Liberals promised to restore after the Tories axed the 2.25 minimum hours of care per day. Tomorrow is the last day to request an opportunity to make an oral presentation. Written submissions are due by 12 Noon, January 19.