

dialogue

May 30, 2008

An update on issues
affecting health care in Ontario

Public lab testing saves money

Report urges province to send all community testing to the private sector despite strong evidence to the contrary

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A new provincial review of community medical lab testing says the average cost per patient is \$33 in a private lab and \$22 in a public hospital lab.

Instead of calling for all community testing to be done in hospitals, the review calls for the opposite. They want all tests ordered outside of the hospital handled by private labs, ending a 10 year pilot project that has produced impressive results.

This would be a grave mistake – one that would endanger the future of lab services in many smaller and geographically isolated communities.

In Muskoka, several physicians noted uncertainty around lab services as a reason for leaving the area last year. It may have also played a role in the difficulties the hospital faced in recruiting a pathologist.

The review's authors admit that keeping community lab testing in hospital has allowed local hospitals to provide more tests faster. The volume of community-based lab tests has allowed hospitals to keep and attract scarce laboratory technologists. It has made newer, more efficient laboratory equipment possible. And local physicians have also strongly endorsed the model, saying it gives them better access to patient records and local lab professionals.

The hospitals have been reluctant to support the model due to underfunding of the program by the Ministry of Health. For the first seven years, hospitals were given no increase in



Paramedics from across Ontario rallied May 23 outside the Ontario Municipal Employees Retirement System (OMERS) annual general meeting. They are asking for the right to negotiate retirement at age 60 with full pension – a right police and firefighters already have. *Photo: John Van Beek, SEIU.*

funding for community testing despite escalating volumes. Over 10 years, the program was given a net funding increase of only 11 per cent. By comparison, the commercial laboratories received a 28 per cent increase in eight of the ten years examined. When Mike Harris set up the pilot projects, he paid hospitals 85 per cent of the rate paid to commercial laboratories, a gap that has widened further over the last decade.

Despite the underfunding, some hospitals are suggesting the report's recommendations may not be followed. After last year's OPSEU campaign to save community lab testing at Muskoka Algonquin Health Care, CEO Barry Lockhart recently told the media that the hospital was working to find a solution that would

allow the service to remain in Muskoka.

"Our preferred model is still to maintain the service delivery model that we have, and we believe that the options that are identified in the report provide an opportunity to do that," Lockhart told the *Huntsville Forester*.

With hospitals struggling to balance their budgets, the pressures to end local testing will be enormous.

The report argues that accountability becomes blurred between the LHINs, who have responsibility for the hospital labs, and the Ministry of Health, which has responsibility for community lab testing. The report ignores the fact that the LHINs report directly to the Minister of Health.

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Community lab testing

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The report does not factor in the cost differences in its recommendations, claiming that hospitals have the advantage given lab equipment is funded out of global budgets. The report contradicts itself by pointing out new lab equipment is made possible by funding from community testing.

While the report sees the importance of using excess capacity in the private labs, it ignores the fact that hospitals would be faced with their own excess capacity should the service be moved.

U.S. access to Canadian lab data?

The report also argues the integrated lab information that has been available in these pilot projects for the past decade will become redundant with the introduction of the Ontario Laboratory Information Service (OLIS) which will integrate commercial and hospital laboratory data. OLIS is not yet functioning, however concerns are already being raised about who has access to this information. Dynacare, a subsidiary of U.S.-based LabCorp, would likely make private Canadian health care data available to the American government under U.S. security laws.

At present 12 community hospitals are involved in the 10-year old pilot project to conduct community based lab work. They include Perth, Fergus, Orangeville, New Liskeard, Napanee, Winchester, Kenora, Pembroke, Aitikokan, Parry Sound, Huntsville and Bracebridge. Half of the communities engage private sector labs to collect specimens, while the other half are collected by the public Hospitals in Common Laboratories.

The final decision will remain with the individual hospitals and the Local Health Integration Networks (LHIN).

The advantages of the public system are clearly outlined in the report. The Ministry should re-examine its entire laboratory policy with an eye to repatriating all community-based lab tests to the better utilize existing facilities at the public hospitals.

Layoffs part of reorganization of Canadian Blood Services \$83 million for new center with 50 fewer staff

OPSEU is grieving layoffs to the Canadian Blood Services provincial support bargaining unit in the wake of a new reorganization plan unveiled May 14. The union has also requested a Provincial Labour Adjustment Team be constituted to deal with organizational change at CBS.

The reorganization plan includes a new \$83 million facility for production, distribution and some support services to be built at an undisclosed location in the Western GTA. When the center opens in 2010, it will do so with 50 fewer full-time equivalents than are presently doing the work.

CBS has said they will strive to redeploy as many staff as possible to positions at the new site or to other opportunities within the organization.

Production, distribution and some support activities performed in Hamilton, London and Toronto will be transferred to the new mega-facility.

A new dedicated site for donor collections will be established in London, while donor testing facilities will remain at the Toronto College Street location.

The plan is part of a national reorganization.

In Brief

Caplan writes inflammatory op/ed to salvage credibility

Elinor Caplan, desperate to save her discredited 2005 home care report, authored a lengthy opinion piece in the *Toronto Star* May 29. In it she claims Hamiltonians were “taken in by the shameless manipulations that took place” and were the subject of a “well-organized fear mongering campaign” that resulted in the freeze of home care contracts. She said criticism was “based on left-wing vested interests.” Caplan claims that Hamiltonians would continue to receive care from the same workers despite VON and St. Joseph’s Home Care losing the contracts. Obviously she missed the video where the workers said there was no way they would continue under the circumstances. Caplan continues to believe quality can be achieved by firing all the workers and giving contracts to companies that have no history, no track record, and no staff in the community. She believes workers will walk away from union contracts, pensions and benefits for ever declining compensation packages. For a second time she quotes client satisfaction surveys that OPSEU has been repeatedly asking for without result... Meanwhile, in the absence of Government-sponsored hearings into home care, the **Ontario Health Coalition** has engaged three distinguished panelists to travel across the province June 9-16 to solicit ideas on how to fix home care. Panelists are **Carol Kushner** (health policy

analyst and author), **Pat Baranek** (health services policy consultant and author) and **Marion Dewar**, former Mayor of Ottawa, who is representing seniors on the panel. The non-partisan panel will report on their findings and make recommendations for reform later in the summer... About 70 community members met in **Midland** May 28 to express concern over the loss of local governance amid the merger of three hospitals – the **Huron District Hospital**, the **Penetang General Hospital** and **Mental Health Centre Penetanguishene**. The plan to merge the facilities wipes out all community memberships and replaces a democratically elected board at Huronia with a self-appointing board. A petition has been drafted calling on the government to restore democratic control of the hospital and to maintain services presently offered by the three facilities... The **Strathroy Hospital** is defying a demand by the South West LHIN to cut \$2.2 million to balance its budget. The cut would effectively close the fourth floor of the hospital, including rehab, some surgery, and long term care. Meanwhile, the same LHIN is carrying a \$1.7 million surplus... After it was revealed 260 people died in nine Ontario hospitals from the infection *Clostridium difficile*, the Ministry is now making such incidents reportable. It is not known if “reporting” a disease will actually prevent it. ... The Rouge Valley Health System agreed to take no action towards implementing the closure of 20 mental health beds at the **Ajax Pickering hospital** until the issue is dealt with in court July 11. A Judicial Review has been scheduled for that date.