



dialogue

OPSEU HEALTH COUNCIL

August 10, 2006

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

Web sites to keep an eye on

Profit Is Not The Cure

<http://www.profitisnotthecure.ca/>

CCAC Alignment Project

<http://www.ccacalignment.ca/>

Hospitals to charge patients for unfunded cancer drugs?

5

A powerful working group is recommending Ontario hospitals be given the ability to administer and charge patients for intravenous cancer drugs presently not funded by the province.

Presently, unfunded IV cancer drugs can only be accessed through a single private clinic in Toronto, or by getting treatment in the United States.

The working group, made up of members of the Ontario Hospital Association, Cancer Care Ontario and the Council of Academic Teaching Hospitals of Ontario, is recommending that hospitals be allowed to deliver these drugs and charge patients for the service. The report suggests that any patient seeking these unfunded drugs be charged an infusion fee of \$250 per visit for use of the hospital's nursing staff, pharmacy and administration. A fixed annual fee, such as \$2,500, would be required for more complex therapies. This would be in addition to the cost of the drugs, which could be as high as \$20,000.

While the working group is trying to address flight of patients elsewhere to seek these drug therapies, they are also setting precedent around fee for service health care.

At present, all hospital services –including drugs administered at the hospital – are publicly covered. By introducing these fees, hospitals would need to set up new administrative processes to invoice patients. Once set up, the impetus for widening the net of fee-based services would be very tempting.

Why are drugs of value to cancer care patients not covered by the province? In 2005 the province changed how cancer drugs were approved for funding. The new process took into account the medical benefits of the drug relative to its cost, or “pharmacoeconomic evidence.”

Clearly, there are dangers of the recommendations to

- create a wedge for more user-pay services
- discourage approval of expensive new drugs knowing they will be paid for by private plans
- set up two-tier service for those who can and cannot afford these new cancer treatments
- drive up the cost of employee health plans and other private health insurance premiums
- legitimize the use of expensive new drugs of little value
- Set a precedent for non-cancer treatments

While the recommendation appears to violate the Canada Health Act's prohibition of user-fees, the committee says a legal analysis undertaken by Borden Ladner Gervais suggests there is no legal impediment to a hospital providing unfunded IV drugs for private payment.

The recommendations also appear to move in the opposite direction of governments to streamline approvals for new breakthrough drugs and the impetus to provide public coverage for catastrophic drug costs.

More LHIN departures

While the departure of outspoken LHIN Board member Mary Lee may have created a ripple in Erie St. Clair (see dialogue 4), several more LHIN board members have either been replaced, or are on their way out. Michael DiAngelo has stepped down from the Vice-Chair of the North East LHIN, while Robert Ritchat, a board member in the North West LHIN, recently passed away. According to a spokesperson from the Health Minister's office, several more departures are imminent. The ministry contends these departures are normal, and the reasons varied. According to an online source, one GTA-area LHIN Board Chair is having serious differences with their CEO. The Ontario Public Appointment Secretariat could have much new activity on its plate.

CCAC Alignment

The CCAC alignment project has recently altered its plans. The 14 new amalgamated CCACs will function as shell corporations in the fall ahead of the January transition date. Workers will still remain with the 42 present CCACs until the end of the year. The new CCACs will align to reflect the geographic boundaries of the Local Health Integration Networks (LHIN).