

dialogue

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

“Show me the evidence”

Former editor of the *New England Journal of Medicine* says its not too late for Canada to turn back from health care privatization

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HAMILTON - Canadians should be asking government to show evidence that for-profit health care works, says Dr. Arnold Relman. An expert in health



care policy, the former editor of the *New England Journal of Medicine* says he has seen no such evidence to justify the steady increase in for-profit

medicine at home and abroad.

Relman was brought to Hamilton October 2nd by OPSEU Local 206 to draw attention to the privatization of three lab collection sites in the city.

Relman says it's not too late for Canada to turn back the tide of for-profit privatization of health care. "It's not as entrenched here as it is in my country. I tell my friends in Canada, stop privatization before it gets a larger hold on your system."

Relman says health care is an inappropriate place for investors to seek profits, but the large amounts of money involved are driving lobbyists to pressure politicians to open the door wider. In Ontario, John Tory has campaigned to open up Ontario's health care system to more for-profit clinics, claiming there would be no difference to the public.

"The evidence is clear," Relman says. "It shows for-profit investor-owned health care fails to deliver as efficient or comparable care to the not-for-profit sector."

Referring to a story from the Sept. 23 *New York Times*, he says nursing homes in the U.S. have been bought out by large venture capital companies. The squeeze for profits has led government inspectors to find increasing examples of bed sores, fractures, nursing-home acquired pneumonia, and deaths. The new investor-owned homes had no sense of the nursing home industry, but were only looking for profits.

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At a meeting in Saskatchewan, Relman said he was challenged by a researcher from the Fraser Institute. In turn, Relman asked the researcher to show him evidence that for-profit health care works. Months later, after persistent requests, Relman received six reprints of articles from the Fraser Institute. "The data in the papers did show less cost for taking care of patients," he said, "but those savings were not passed on to the consumer. And there was no evidence that the health outcomes were the same."

Calling the U.S. the most commercialized health system in the world, Relman says the rapidly rising costs are threatening the overall economy. For example, the health care benefits for General Motors workers cost more than \$5 billion per year – adding about \$1500 to the cost of each vehicle.

"The greatest threat to the U.S. is not the cost of social services, but the rising cost of health care. It has turned into an economic contest between a small part of the economy that lives off the profit of the rest of the U.S. economy."

Relman says that with a modest increase in public investment, Canada could turn a good health care system into the world's best.

In the U.S., the battle against the "Medical Industrial Complex" means that it will likely be more than a decade before their system can change.

"If you are well-insured and very rich, you can get the best health care in the world," he says. "If you are poor – god help you. It's every person for themselves."

Relman says there is no "magic" to make the for-profit sector more efficient – most of the managers are recruited from the not-for-profit sector. He says the choices they face to deliver profits are to either cut costs, raise prices, or market services that may not be medically necessary.

Relman is among the most respected health advocates in the United States, having been asked to serve on an advisory panel by the White House in 1993. He is presently professor emeritus at the Harvard Medical School and has recently published *A Second Opinion: Rescuing America's Health Care* (2007).