

Healing the health-care system

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The Canadian health-care system has reached a state of crisis and needs an overhaul, according to a new report released by **The Vancouver Board of Trade**.

In the 50-page document, *Reforming the Canadian Health Care System*, The Board offers some strong recommendations after outlining how, over the past decade, "the system increasingly has not met the needs of Canadians within a reasonable time frame."

Governments simply no longer have the finances to meet demand. "Wait lists have grown substantially and have the effect of rationing health care. The situation has reached crisis proportions," The Board states.

And simply injecting more cash into the system is not the answer. Although Canada ranks in the top tier of OECD countries in terms of the percentage of GDP spent on health care, the median wait for treatment after referral by a general practitioner had almost doubled from 9.3 weeks in 1993 to 17.7 weeks in 2005.

"Transforming Canada's ailing Medicare into a better health-care system will require meaningful health-care reform," the report concludes.

Meanwhile, patients continue to be restricted under the *Canada Health Act* to hospital and surgical services funded by government and are denied any alternative, which in turn denies Canadians the right to timely and quality health care. "The Vancouver Board of Trade is firmly convinced that changing the *Act* to allow greater involvement of the private sector would serve the best interests of both patients and taxpayers. This is the first and most significant step toward the creation of an improved health-care system in Canada."

In the report, The Board urges the examination of successful models in European countries that have demonstrated that universal, publicly-funded systems can operate more efficiently at a lower cost while involving the private sector, resulting in the elimination of significant wait lists.

Health care for all regardless of the ability to pay need not be affected. Of the 30 OECD countries, all but two (the U.S. and Mexico) are committed to providing access to a full range of health-care services regardless of ability to pay, and many achieve even broader coverage using both public plans and private insurers. In contrast, Canadians are being denied treatment they need under a "rationed health care" system.

The report refers to the landmark **Supreme Court of Canada** ruling in June 2005 (*Chaoulli vs. Quebec*), in which the judgment confirmed the seriousness of the situation. "The evidence in this case shows delays in the public health-care system are widespread, and that, in some serious cases, patients die as a result of waiting lists for public health-care."

After reviewing the situation in other Western countries, the court concluded private sector involvement does not lead to the demise of public health care: "The experience of other Western democracies refutes the government's theoretical contention that a prohibition on private insurance is linked to maintaining quality public health care."

In terms of a cure for the system, government funds can simply no longer support health care demand without eating into other necessary programs, such as education and infrastructure. Government revenues are failing to keep pace with growth in health-care spending. If present trends continue, it is projected that by 2020, public spending on health care will outpace other government spending by a 2:1 ratio. Spending on other public services, in real per capita terms, will be below pre-1990/91 recession levels, according to **Statistics Canada**.

Other financial sources therefore have to be tapped into. Competition would also create market conditions that would temper increasing costs. "As long as there is only one payer (the government), there is no competition among suppliers to provide a better price and squeeze out unnecessary costs."

The report states that the prohibition of private insurance and payment for health care is counter-productive and should not continue. The Board recommends patients should be given the alternative of obtaining medically necessary hospital and doctor services, through private insurance or out of their own pockets; that the private sector be allowed to deliver medically necessary services; that the private sector be encouraged to establish centres of specialization offering certain treatments; that competition be introduced into the system with governments purchasing from both private and public sectors; that physicians be able to work in both public and private systems while fulfilling requirements to work in the public sector for a certain percentage of their time, and that new legislative policy be introduced to regulate private delivery of health-care services.

As the report concludes: "The Vancouver Board of Trade strongly believes that a properly regulated private sector can strengthen the health-care system and benefit all Canadians."