Quarterly Letter

Memo from the Premier

To: Deputy Minister of Health
From: Premier
Re: Your Correspondence

Thank you for your Memorandum attached to the last issue of Healthcare*Papers*. It was an elegant description of a number of important strategic themes and I commend you for taking a long-term view.

With respect Deputy, as I read some of your recommendations I thought perhaps you had been listening to too many of my minister's speeches! While much if not all of what you say makes sense, I am looking for the corollary cost savings or revenue generation strategies to achieve these ends while delivering on the fiscal goals we have been charged with by the people of this province.

I am delighted to hear from my Deputy that further study is NOT required. Action IS! The long term will be built on the foundations of the short term and there are some key issues that need progress. These include:

- the pressures on emergency services;
- staffing shortages and health professional supply;
- labour settlements, including physicians;
- ensuring access to services while controlling escalating costs; and,
- achieving a balanced budget while paying down the provincial debt.

With regard to the provincial budget our detractors say, "Don't worry about the debt as long as the ratio of debt to GDP is acceptable." Unlike past governments we will not fall into the trap of carrying a debt we can finance during record growth only to find that every time there is a bout of economic flu we have to take a hatchet to essential public services. By achieving a debt-free province we will liberate more tax dollars annually than we currently spend on the whole of healthcare. These are tax dollars we could invest in the social fabric and infrastructure of this province. (I note, Deputy, that your memorandum refers to spending "hundreds of millions of dollars," perhaps I could prevail upon you to be more specific when contemplating such an order of fiscal magnitude.)

I thought long and hard about emergency services and hospital capacity after the very difficult issues raised in the House last winter. The data offered by the Centers for Disease Control in Atlanta demonstrated that we can predict the pattern of influenza and the corresponding impact on hospitals with amazing confidence. I find it hard to understand why your ministry and the well-remunerated administrators of our public hospitals have failed to address such a predictable and periodic issue. I would like you to identify the roadblocks, challenge hospitals to provide "flex" beds, and work with the nursing association and the medical association to ensure that additional professionals are available during the flu season. My conversations with health professionals indicate a willingness to solve this problem provided that the solutions tabled balance work and family life. Surely nurses could "bank" additional vacation hours during the flu season and use them at other times.

With respect to staffing shortages and health professional supply, I understand that we lose thousands of health professionals every year, primarily to the United States. Most of these professionals have had their training heavily subsidized by the taxpayers of this province! I am, however, also advised that there are many well trained and accredited foreign graduates who wish to immigrate to this province but the process is somewhat more restricted. We must make our borders more permeable and fast track the most highly needed professionals. I am also aware that many Canadians go overseas for a clinical qualification and acquire resident status. Find out what it would take to attract them back to this province. We should become at least as good at bringing healthcare professionals into the province as we are at losing them! Tying immigration approvals to site-specific licences will also help us to address the issue of maldistribution. Please implement this through the deputy of intergovernmental affairs in collaboration with the health professional colleges. Please note that I am not suggesting we compromise on standards.

When considering the recent labour settlements, I questioned why we do not have a fee schedule for physician compensation that is shown to realize best outcomes at best cost. I recall at an earlier briefing, we had a discussion with respect to comprehensive collation of clinical evidence related to key clinical problems, but I see no tie back to this in how we remunerate practitioners. Unless we are prepared to use the evidence, much of which we have funded, why would we be surprised to see the lag between creation and uptake? I would therefore like you to bring outcomes expertise to the table on the government side for the next fee schedule negotiations.

Your analysis omitted the private sector. A disappointingly common mistake. I am fully committed to a publicly funded system of healthcare, and note that even the World Bank now acknowledges that this is the most efficient model for developed countries. But, and this is a big but, you need only look at one pharmaceutical or biotech company to realize that healthcare is also a for-profit business. I am also very aware that most of the employers in this province subsidize healthcare in the form of benefits. Business has a stake in health, and I would like you to bring them to the table and investigate the opportunities for partnership.

Healthcare and its associated research arm are powerful economic drivers, so let's ensure they flourish. The federal government is pumping billions into infrastructure and research, so we should maximize our share. Again this means private-sector involvement and partnership. Healthcare is not just a source of public spending, it is a source of wealth. By maximizing investment and private sector involvement we can attract and retain the best. Also, if the United States can capitalize on high remuneration to attract many of our health professionals away from the province, why can't we capitalize on our efficiency to provide focused factory procedures to foreign patients at competitive rates? The main objection I hear to private hospitals, aside from the usual unrealistic resistance to change, is that private-sector cherry picking will harm the ability of public hospitals to provide an effective overall service. Bring me the evidence on focused factories and their impact on neighbouring hospitals.

I reviewed your argument for the wiring of the system carefully and support the concept. I am less convinced than you that technology will offer the answer when in fact human nature and economic issues appear to be the real drivers. I remain open to being convinced and therefore instruct you to wire three sites fully … an academic health centre network, a rural health system and an urban non-academic setting. I want prospective evaluation criteria and clear answers to the following questions: Did it make a difference in outcome? Did it make a difference in direct and indirect costs? Did consumers like it enough to feel that our government is on the right track? An alternative might be to offer a unique compensation model that rewards appropriate utilization and penalizes utilization beyond that described in best practice. This could be piloted concurrently. Also Deputy, tell me how the private sector will fit into this project.

As you suggested in your memo, many of the themes you highlighted can be encompassed by the phrase "it's about the patient, stupid," but it's also about the complexity of the data and the realization that "evidence" says that sometimes interventions are not efficacious! Our system and my performance in this is not evaluated by peer review of research experts, but by the person and the family that aren't getting what they want, even though it may not even be what they need. I want to hear from you about the patient's responsibility. How do we lever their performance? If we make these investments, how can I be sure that the expenditure control point is in sight? How can I be sure I won't be back here a year from now?

Lastly, why is most of my time spent on fixing the crisis in healthcare? We have made a substantial commitment to healthcare spending and no political advantage has emerged. Is it time to consider the potential benefits of a Health Ministry of the Crown? I would like a briefing paper on new options, including a crown corporation with a non-partisan leadership. You have considered academic evidence and now I want you to take a broader view and consider the evidence used in the court of public opinion. Take your list to the caucus and all the members of the legislature. I will take it to the polling agencies used by the party. I will re-evaluate these ideas when the evidence has been fully prepared.

Regards,
The Premier

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This letter responds to Healthcare*Papers* Vol. 1 No. 2. In it, Michael Decter writes the Premier with recommendations for:

- Nurse call lines;
- More and better-funded home care;
- 24/7 Primary care;
- Public report cards;
- Consumer-centred information;
- Wiring the system;
- More and better-funded long-term care

The issue can be found at www.longwoods.com/hp/spring00/index.html