



ASSOCIATION CATHOLIQUES
CANADIENNE DE LA SANTÉ

CATHOLIC HEALTH
ASSOCIATION OF CANADA

NEWS RELEASE

FOR IMMEDIATE RELEASE

Federal-Provincial Deal Provides Money — But Where is the Plan for Health Reform?

Ottawa - The Board of Directors of the Catholic Health Association of Canada (CHAC), at a meeting held in Châteauguay, Quebec, from Sept. 14-16, discussed the federal-provincial health agreement that was finalized in Ottawa on September 11.

Prior to the meeting between the Prime Minister and the provincial and territorial leaders, the CHAC developed a list of five needs which it hoped to see addressed in any federal-provincial agreement. The discussions held during the Board meeting provided an opportunity to evaluate the agreement in light of those five needs.

Need #1 - Federal-Provincial Cooperation

While it would be difficult to say the talks and activities leading up to the First Ministers' meeting reflected a spirit of federal-provincial cooperation, in the end, the participants were able to come up with a common position. The First Ministers are to be congratulated for establishing a shared vision and list of principles to guide efforts to renew and strengthen the health system.

The CHAC is concerned, however, about efforts by some of the provinces to downplay any federal role in the development of an action plan for health reform. The CHAC believes the federal government has a leadership role to play in protecting the right of all Canadians to health care. The history of the development of the health care system shows that federal involvement in health and health care policy is vital to Medicare's integrity and continued vitality.

Need #2 - Stable, Long-Term Funding

In a letter to the Prime Minister, written in February, prior to the announcement of the 2000 federal budget, the CHAC called on the government to re-invest in health care in order to stabilize the system and to support its necessary expansion. The restoration of more than \$5 billion yearly to health care transfers by 2005 is, therefore, regarded as a very positive step by the CHAC.

However, while the agreement stipulates that some of the additional money for the current fiscal year must be used by the provinces for specifically targeted health care needs, the bulk of the increased transfers will simply be added to the Canada Health and Social Transfer (CHST). The CHAC shares the concern expressed by other organizations that the CHST lacks mechanisms to ensure that the new money will be spent by the provinces on health care.

Need #3 - The need for further reform of the system

The First Ministers agreed that improvements to primary health care are “crucial” to the renewal of health services. This is an important step. However, the lack of specifics in the agreement concerning necessary reforms in the organization and delivery of primary care is regrettable.

More serious, is the lack of reference in the agreement to national programs for home and community care, and for medically necessary drugs (pharmacare). Expansion of Canada’s publicly funded health care system to include home care and, eventually, a national pharmacare program, was one of the key recommendations of the National Forum on Health, when it issued its final report to government in 1997. Earlier this year, Health Minister Allan Rock offered to negotiate and fund a new home care program with the provinces. In the weeks leading up to the recent agreement, the federal government was noticeably silent about these necessary reforms. The CHAC is concerned that this silence may suggest that the federal government has limited its vision concerning the scope of health care reform it is ready to push for.

Need #4 - Greater accountability

The CHAC strongly supports the commitment of the First Ministers to use “jointly agreed comparable standards” in the preparation of comprehensive and regular public reports on health programs and services, on health system performance, and on progress towards the priorities established for health system renewal. The CHAC believes improved decision-making about health, health care and the health care system requires more high quality information and evidence. The agreement of the provinces to issue such public, health system report cards should help to provide needed information.

Need #5 - Role of the for-profit sector

During their meeting in Winnipeg, in August, some of the premiers argued forcefully for the right of the provinces to increase the role of the private sector in the delivery of publicly funded health services. Again, during the First Ministers’ meeting, several premiers pushed to increase the role of for-profit providers.

On the day of the meeting, Premier Romanow expressed concern about what he called the “hidden talk” of health care privatization that went on during the negotiations - part of, what he referred to as, “privatization by stealth.” Catholic health care holds strongly to the value which states that health care cannot be treated as a mere commodity to be bought and sold in the marketplace. The CHAC is concerned by the Prime Minister’s apparent reluctance to challenge those provinces that are seeking to contract publicly funded medical services to private, for-profit companies - a move designed to both legitimize and prepare for a parallel private health care system.

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The CHAC believes the First Ministers’ Agreement on health is a positive step. It provides more stable, long-term funding and, hopefully, sets a tone for further collaboration. “However, we challenge the First Ministers to adopt a broader vision concerning the scope of health care reform,” said Richard Haughian, CHAC President. “A commitment to strengthen and renew Canada’s health care system must include a willingness to address difficult issues related to the reform of primary care - in particular, the funding of services and the remuneration of

providers. The implementation of national home care and pharmacare programs as integral parts of publicly funded health services, is essential for the development of an integrated health system. Finally, action must be taken to stop the privatization of publicly insured health care services, and to prevent the development of two-tier health care in Canada.”

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Sept. 20, 2000