

A PRESCRIPTION FOR HEALTH CARE

Introduction

Focus

This *News in Review* story focuses on the Romanow Report on the state and future of Canada's health-care system. It includes the report's major recommendations and the political response to it, as well as its implications for the country's medicare system and Canadians' access to it in future years.

Further Research

If you think that the current debate about health care is heated, then consider visiting the new CBC audiovisual archives for a portrait of the original stormy birth of medicare in Canada. Visit <http://archives.cbc.ca> and search under Politics and Economy.

On November 28, 2002, Roy Romanow presented his long-awaited report on the state of Canada's health-care system and a list of 47 major recommendations designed to reform it. Eighteen months before, Prime Minister Jean Chrétien had named the former Saskatchewan premier to head a royal commission to investigate the problems confronting the country's health-care system, and to recommend improvements to it. Romanow's report, entitled "Building on Values: The Future of Health Care in Canada," was unequivocal in its defence of the country's free, universal system of medical care. It rejected any suggestions that there should be a greater role for a competing private, for-profit sector. Instead, Romanow called on the federal government to invest \$15-billion in new money into Canada's cash-starved health-care system over the next three years. Romanow recommended that over half of that amount be spent within two years, targeting what he claimed were five priority areas for increased health-care funding. Among these were \$1.5-billion to purchase more MRI (magnetic resonance imaging) devices and CT (computed tomography) scanners, \$1-billion for increased drug plan coverage, \$2-billion for home care, \$2.5-billion for early treatment primary care programs to ease the burden on hospitals, and \$1.5-billion to improve delivery of health-care services in rural and remote areas of the country.

The response to Romanow's report ran the gamut from sweeping endorsements to pointed criticisms. For its part, the federal government accepted the major thrust of the report, but ques-

tioned whether it would be able to find all the new funding Romanow had recommended. Finance Minister John Manley wondered if the anticipated federal budget surpluses over the next few years would be large enough to cover the great increase in funding. Advocacy groups that had mounted a strong campaign in favour of preserving and strengthening the country's medicare system were delighted with Romanow's endorsement of it as one of the core values of Canadian society. One spokesperson for Canadian Friends of Medicare, Shirley Douglas, the daughter of T.C. "Tommy" Douglas, the Saskatchewan NDP premier whose government had pioneered public health care in the early 1960s, claimed that her father would have been proud of Romanow and his report. On the other hand, the opposition Canadian Alliance condemned the Romanow Report as being the wrong way to tackle the problems of the country's health-care system, namely by "throwing more taxpayers' money" at it. Instead, it called for a greater role for the private sector in the delivery of health-care services, and the right of Canadians to choose between the publicly funded and private, for-profit systems.

A number of provincial premiers, especially Alberta's Ralph Klein, British Columbia's Gordon Campbell, and Ontario's Ernie Eves, were also skeptical about Romanow's recommendations. All of them led right-wing governments committed to tax cuts and more privatization of health care. At the same time, they welcomed the call for increased federal financial support to the provinces to restore levels of health-

Did you know . . .

Romanow held 21 days of public hearings in 18 Canadian cities, received 240 formal submissions, heard 591 presentations, and received 7000 letters and notes from Canadians as part of his research for his report?

care funding that had been slashed in recent years. For the recommendations of the Romanow Report to be implemented, a very high level of federal-provincial co-operation would be required. Whether this would materialize in the final months of the Chrétien administration in Ottawa remained an open question.

During the months he spent researching and writing his report, Romanow criss-crossed the country. He listened to a large number of Canadians who were anxious to present their views about the state of the health-care system and their suggestions to make it function more

effectively. According to Romanow, the vast majority of Canadians had made it clear, in public meetings and through opinion polls, that they valued the country's free, universal medicare system as one of Canada's treasures. While they recognized that the system was in need of serious reform, most were highly reluctant to support changes that would reduce its accessibility to any citizen. Romanow's report, which underlined this viewpoint and eloquently championed a greater role for government in providing and funding basic "social goods" like health care was indeed a historic document.

To Consider

1. What is the Romanow Report? Who is Roy Romanow?
2. What were the main recommendations of the Romanow Report?
3. What was the federal government's reaction to the Romanow Report?
4. What groups supported the recommendations of the report? Why?
5. What groups opposed the recommendations of the report? Why?
6. What is the position of most Canadians on their country's health-care system?
7. What is your opinion of our health-care system?
8. What challenges does the Romanow Report face regarding the possibility of the federal and provincial governments implementing its major recommendations?

A PRESCRIPTION FOR HEALTH CARE

Video Review

Carefully view this video story and then respond to the questions on this and the next page. Because this is a complex, but important story, it might be necessary to take up the questions after viewing or even to review the video a second time.

1. What are the five basic principles of the Canada Health Act?

i) _____

ii) _____

iii) _____

iv) _____

v) _____

2. What sixth principle did Romanow propose?

3. Romanow asked for (circle one)

\$10-billion \$15-billion \$115-billion

in additional funding over three years.

4. Does Romanow support or reject more private health care?

5. How does Romanow propose to deal with the following problems?

- Home care

- High cost of drugs

- Shortage of nurses and doctors

- Primary health care

6. What percentage of Canada's GDP (gross domestic product) is dedicated to health-care spending? _____%

7. Note one argument for and one against private health care.

For:

Against:

A PRESCRIPTION FOR HEALTH CARE

Text Analysis: Excerpts from the Romanow Report

Medicare Milestones

1962 Saskatchewan adopts first medical insurance plan.

1968 Ottawa passes Medical Care Act that shares costs for medicare with provinces.

1984 The Canada Health Act enforces basic principles of health care on provinces and territories.

As part of his Royal Commission report, “Building on Values: The Future of Health Care in Canada,” Roy Romanow included this “message to Canadians.” In it, he stated that access to free, universal, high-quality medical care was a “right of citizenship,” one to which all Canadians were entitled, regardless of their income or status in society. Here are some excerpts from the Romanow Report, in which he states his core beliefs about the role of public health care in Canada, and why it is such an important and valuable institution:

Canadians’ attachment to medicare is based on their understanding of it as a right of citizenship. They connect with the values that define medicare, not the particular features of the system in place in their province or territory.

Canadians expect the system to guarantee them relatively similar access to a common basket of medicare services of equal quality, regardless of where they live. They expect governments, providers, and caregivers to work collaboratively to maintain a system with these qualities.

The fact that Canadians perceive health care as a national endeavour should not be interpreted as an invitation for federal intrusion into an area of primary provincial jurisdiction. Nor should it be interpreted to mean a “one-size-fits-all” approach to health-care delivery. In a country as geographically, economically, regionally, and culturally diverse as ours, this is neither

realistic nor desirable. Medicare must be constantly renewed and continually refined, if it is to remain relevant and viable. A new common approach is needed to encourage, not constrain, innovation. If we allow medicare to become static, it will become brittle and eventually break

The reality is that Canadians embrace medicare as a public good, a national symbol, and a defining aspect of their citizenship. I am therefore recommending a series of measures to modernize the legislative and institutional foundations of medicare that will better equip governments to move forward together to provide Canadians with the health-care system they want. . . .

Early in my mandate, I challenged those advocating radical solutions for reforming health care—user fees, medical savings accounts, delisting services, greater privatization, a parallel private system—to come forward with evidence that these approaches would improve and strengthen our health-care system. The evidence has not been forthcoming.

I have also carefully explored the experiences of other jurisdictions with co-payment models and with private-public partnerships, and have found these lacking.

There is no evidence these solutions will deliver better or cheaper care, or improve access (except, perhaps, for those who can afford to pay for care out of their own pockets). More to the point, the principles on which

Prime Minister Chrétien recently promised that, "The Romanow Report will not gather dust on a shelf. We will move quickly."

these solutions rest cannot be reconciled with the values at the heart of medicare or with the tenets of the Canada Health Act that Canadians overwhelmingly support.

It would be irresponsible of me to jeopardize what has been, and can remain, a world-class health-care system and a proud national symbol by accepting anecdote as fact or on the dubious basis of making a "leap of faith."

Some have described it as a perversion of Canadian values that they cannot use their money to purchase faster treatment from a private provider for their loved ones. I believe it is a far greater perversion of Canadian values to accept a system where money, rather than need, determines who gets access to care.

It has been suggested to me by some that if there is a growing tension between the principles of our health-care system and what is happening on the ground, the answer is obvious. Dilute or ditch the principles. Scrap any notion of national standards and values. Forget about equal access. Let people buy their way openly to the front of the line. Make health care a business. Stop treating it as a public service, available equally to all.

But the consensus view of Canadians on this is clear. No! Not now, not ever. Canadians view medicare as a moral enterprise, not a business venture. . . .

Canada's journey to nationhood has been a gradual, evolutionary process, a triumph of compassion, collaboration and accommodation, and the result of many steps, both simple and bold.

This year we celebrate the 40th anniversary of medicare in Saskatchewan, a courageous initiative by visionary men and women that changed us as a nation and cemented our role as one of the world's compassionate societies. The next big step for Canada may be more focused, but it will be no less bold. That next step is to build on this proud legacy and transform medicare into a system that is more responsive, comprehensive, and accountable to all Canadians.

Getting there requires leadership. It requires us to change our attitudes on how we govern ourselves as a nation. It requires an adequate, stable, and predictable commitment to funding and co-operation from governments.

It requires health practitioners to challenge the traditional way they have worked in the system. It requires all of us to realize that our health and wellness is not simply a responsibility of the state but something we must work toward as individuals, families, and communities, and as a nation. The national system I speak about is clearly within our grasp.

Medicare is a worthy national achievement, a defining aspect of our citizenship and an expression of social cohesion. Let's unite to keep it so.

To Consider

1. In your own words, explain what you think Roy Romanow means when he states that medicare is a "right of citizenship" for Canadians. Do you agree with this statement? Why/why not?

2. In what ways does Romanow think Canada's health-care system needs to be reformed if it is to remain effective for Canadians?

3. What kind of proposals for the reform of Canada's health-care system does Romanow reject? Why?

4. Do you agree with his position? Why/why not?

5. Why does Romanow regard Canada's health-care system as such an important symbol of what this country stands for?

6. Do you share his view of the significance of Canada's health-care system as an embodiment of this country's "core values"? Why/why not?

A PRESCRIPTION FOR HEALTH CARE

Problems and Solutions

1. The Cost of Health Care

The total cost of providing health care to Canadians in 2001 was \$102-billion. Of this amount, federal and provincial governments provided 71 per cent, while private insurance plans and out-of-pocket spending by individuals covered most of the remainder. From this health-care budget, 41 per cent went to hospitals, 25 per cent to doctors and other health-care providers, 15 per cent to drugs, and 19 per cent for research and administration. Despite this vast amount of public investment, many Canadians believe the country's health-care system to be seriously underfunded and increasingly unable to meet their medical needs. Since the mid-1990s, the level of federal funding for provincially administered medicare in Canada has been severely cut. As a result, a number of services have been eliminated or restricted, leading to bed shortages in hospital emergency wards, long waiting lists for specialized treatment, and reduced coverage for prescription drugs, especially for the poor and the elderly.

In order to meet this financial crisis in the country's health-care system, the Romanow Report calls for an injection of \$15-billion of new federal health transfers to the provinces over the next three years. This is money the national government advances to the 10 provincial and three territorial governments under the terms of the Canada Health Act in order to ensure that the level of medical services available to Canadians is the same regardless of where they live. The first installment of \$3.5-billion is to come in the 2003-04 fiscal year, \$5-billion is to be invested in 2004-05,

and the remaining \$6.5-billion by 2005-06. Romanow believes that the federal government will be able to find this new money without having to raise taxes or plunge the country into a budgetary deficit. This is because the budget surpluses it has enjoyed over the past few years, which are projected to continue into the future, should be enough to cover the expenses of a new investment in health care for Canadians.

2. Waiting Lists

Many Canadians in need of specialized diagnostic tests such as MRIs or CT scans have to face long waiting lists at hospitals and medical clinics before they can receive them. These waiting lists are rarely managed on a "first-come, first-served" basis, and there are sometimes communication breakdowns between hospitals in scheduling them. There has also been a serious failure to keep up-to-date information on the state of the country's health-care system, especially the location of and access to new diagnostic tools. As a result, those with the financial resources to do so have accessed private, for-profit clinics that offer these services, either in those parts of Canada where they are permitted to operate or in the United States.

The Romanow Report calls for the establishment of a fund to help purchase new diagnostic equipment and train the medical staff needed to use and maintain it. It recommends an overall plan to manage waiting lists across Canada, and improve the quality and delivery of information about these services to Canadians. In particular, Romanow wants the federal and provincial governments to jointly fund the

Romanow also made specific suggestions to improve the health-care needs of Aboriginal Canadians. To view the full text of this historic document go to www.healthcarecommission.ca

Health Council of Canada to establish a framework for assessing the quality and safety of the health-care system in the future. He notes that in comparison with other Western countries, such as the United Kingdom, Sweden, France, Germany, Australia, and the United States, Canada lags behind in the number of advanced diagnostic machines.

3. Prescription Drugs

Even though they are one of the fastest-growing parts of Canada's health-care system, prescription drugs are not completely covered under it, and the degree of coverage varies greatly across the country. New drugs are rapidly becoming available as medical research progresses, and patients are having problems keeping up with the advances in technology. Large transnational pharmaceutical companies insist on patent protection for their products, increasing the cost of providing needed health care to patients.

The Romanow Report states that Canada should begin including the coverage of prescription drugs under medicare, to guarantee that Canadians can benefit from such coverage. The federal government should extend additional funding to the provinces to help offset the cost of prescription drug plans and alleviate the high cost of "catastrophic drugs" required to treat medical conditions such as HIV-AIDS. A National Drug Agency should be established to control costs, test new and existing drugs, and guarantee the quality and safety of all prescription medicines. Canada should overhaul its existing patent laws to make it more possible for Canadians to purchase generic drugs at lower prices than brand-named products. The average Canadian family currently spends about \$1200 per year on prescription drugs,

and many people do not have private or company drug plans.

4. Home Care

Although home care is the fastest-growing area of health care in Canada, it is not regarded as an essential medical service under the Canada Health Act. Many people with chronically ill relatives, especially the elderly, have to act as "informal caregivers," often confronting serious financial and time-and-stress-related challenges in serving in this role.

The Romanow Report advocates a Home Care Transfer that would expand the Canada Health Act to cover the costs of home-care in three key areas—mental health care, post-acute care, and palliative care. In addition, the Canadian Employment Insurance Program should be changed to permit family caregivers to take time off work and qualify for special benefits enabling them to care for sick relatives.

5. Primary Health Care

The current model of medical treatment places too much emphasis on curing an illness instead of preventing it from occurring in the first place. There is no existing model for primary health care in Canada that can serve the various needs of people across the country. For example, the immunization program is outdated and not set up to deal with new infectious diseases being brought into Canada from other parts of the world.

Romanow wants to encourage the promotion of preventive medical programs, especially those related to serious health issues like tobacco use, obesity, and the lack of physical fitness. The report calls for the creation of a comprehensive primary-care system based on four key elements: continuity

of care, early detection of health problems, better information on patients' needs, and stronger incentives for health-care providers to participate in primary care programs. A new national immunization strategy should be devel-

oped to deal with the potentially disastrous threat of infectious diseases, and a Health Council of Canada should be created to hold national health-care conferences.

Activities

1. Form groups to read and discuss the passage above.
2. In your groups, explain in your own words the basis of the five major problems Canada's health-care system faces, and the recommendations the Romanow Report offers to solve them.
3. Classify the five problems in order, from most to least serious, and state whether you think the solution Romanow proposes is the best one for dealing with the problem.
4. Offer your own solutions to the problems facing the health-care system, and add any other problems and proposed solutions that you think are important.
5. Classify the solutions Romanow's report proposes under the following headings:

Reinforcement of Existing Programs	New Programs	New Approaches to Delivering Medical Services

A PRESCRIPTION FOR HEALTH CARE

Public versus Private Health Care in Canada

Here is a series of reactions to the Romanow Report on the future of health care in Canada, from various political commentators and medical professionals. For each of these statements, indicate whether it supports a publicly or privately funded model of health care in Canada. Also state whether or not you agree with it, and why. Be prepared to discuss your choices.

1. “Mr. Romanow is correct when he says that all Canadians, irrespective of income, need access to health care. But Canadians also value clean air and safe water; they feel compassion for children mired in poverty and they want all young people to have the chance to make the most of their abilities through education. A sustainable health-care system has to be affordable in the long term and not jeopardize other critical priorities. It is not clear that the Romanow plan passes these tests.”
— Prof. Janice MacKinnon, former Saskatchewan finance minister

Public _____ **Private** _____
Agree _____ **Disagree** _____

2. “The extra-billions of dollars Romanow is advocating would buy peace for a few years, but the real problem would fester. The health-care system is inefficient, hidebound, paralyzed by internal contradictions. Change must acknowledge the market. It must respect the right of the individual to choose.” — John Ibbitson, reporter, *The Globe and Mail*

Public _____ **Private** _____
Agree _____ **Disagree** _____

3. “I think Romanow has captured the essence of what Canadians want. We applaud the commissioner for maintaining a publicly funded, not-for-profit system. And we really applaud his understanding that the system as it is now is unsustainable.” — Rob Calnan, President, Canadian Nurses Association

Public _____ **Private** _____
Agree _____ **Disagree** _____

4. “Romanow had a chance to suggest real reforms to make health care in Canada better, but instead he is simply urging the government to throw more money into a system that isn’t working.” — Gerry Nicholls, Vice-President, National Citizens’ Coalition

Public _____ **Private** _____
Agree _____ **Disagree** _____

5. “Canadians have made it clear that they treasure their publicly funded health-care system and they now look forward to government action. The time for studying and talking is over. The time for reforming the health-care system is now here.” — Senator Michael Kirby, author of another report on the state of Canada’s health-care system

Public _____ **Private** _____
Agree _____ **Disagree** _____

6. “The whole direction of this report—making the system less flexible, moving to ban alternative delivery, to trying to dictate to the provinces the expansion of the system . . . all of these things are completely unhelpful and unrealistic. Romanow is proposing that we have an

ideological model from the 60s—that the program be double the size with half the funding that was originally proposed at that time. It’s unrealistic. It provides no real guarantees to patients on essential services while making all kinds of promises that the government will, in practice, not be able to deliver.” — Stephen Harper, federal opposition leader and leader of the Canadian Alliance

Public _____ **Private** _____

Agree _____ **Disagree** _____

7. “The prescription is clear. The detailed treatment plan is set out and now it’s a question of government having the political will to act with a sense of urgency that’s very much required. Roy Romanow was never an ideologue. He’s a principled pragmatist, and I think what is wonderful about this report is that it puts behind us the ideological battles and puts before us a solid prescription and a treatment plan.” — Alexa McDonough, federal leader of the New Democratic Party

Public _____ **Private** _____

Agree _____ **Disagree** _____

8. “Romanow articulates the most cogent aspect of Canadian medicare, a political reality that is often forgotten amid the confusion over who pays what, the fury over the public versus private care, and the interminable federal-provincial wrangling. That reality is simple. Medicare exists because Canadians want it. If they continue to want it and are willing to fix it when necessary, it will continue to

exist. In the jargon of the times, it is sustainable. Everything else is noise.” — Thomas Walkom, columnist, *The Toronto Star*

Public _____ **Private** _____

Agree _____ **Disagree** _____

9. “Tommy Douglas would be very pleased to know that Roy Romanow went across the country and consulted with every kind of group and every kind of person to find out what was working and what wasn’t. . . . If Canadians want to see his report brought into being, then they are going to have to get on their phones, on their fax machines, [write] letters, talk to their MPs and MLAs, get out there because you cannot stand there and let everyone else do it for you.” — Shirley Douglas, daughter of former Saskatchewan premier T.C. “Tommy” Douglas, and spokesperson for Canadian Friends of Medicare

Public _____ **Private** _____

Agree _____ **Disagree** _____

12. “The Romanow Report is an example of an extreme socialist attitude in that he wants everyone to wait, notwithstanding the fact that society is benefiting. Why does it help anyone to add to the wait lists? He had the opportunity to be a visionary, but he didn’t take it. The private sector is actually the one area that could have saved medicare.” — Dr. Brian Day, medical director of Vancouver’s private Cambie Surgery Centre

Public _____ **Private** _____

Agree _____ **Disagree** _____

A PRESCRIPTION FOR HEALTH CARE

A Conference on the Future Health Care

Further Research

Another recent report on health care in Canada was presented by Senator Michael Kirby. His report can be viewed at [www.parl.gc.ca/Search Committee Business – Senate – Recent reports](http://www.parl.gc.ca/Search/Committee/Business%20-%20Senate/Recent%20reports).

Activity

As a class, organize a conference on the future of Canada's health-care system, as a response to the recommendations of the Romanow Report. Divide the class into groups, each one researching and presenting the position of **one** of the following organizations on the current state of Canada's health-care system, and what it thinks needs to be done to improve it.

1. Canadian Medical Association
2. Canadian Nurses' Association
3. Canadian Friends of Medicare
4. National Citizens' Coalition
5. Canadian Taxpayers' Federation
6. Canadian Chamber of Commerce
7. Caledon Institute on Social Policy
8. Fraser Institute
9. Canadian Alliance
10. New Democratic Party
11. Federal government
12. Provincial government of your province
13. Other

Using Web sites, newspaper articles, radio and/or television news programs, or other resources, gather information on the position of your group or organization on Canada's health-care system and how it should be reformed. Prepare a position paper based on the ideas your organization advocates, and select one member of the group to act as the spokesperson for it.

Convene the conference with each of the spokespersons presenting his/her position paper, followed by a discussion among the representatives of the various groups and the class as a whole.

When the discussion is over, debrief the activity by listing the points of agreement and/or disagreement among the participants in the conference. As a class, develop a consensus view (if possible) that diagnoses the current problems facing Canada's health-care system, and suggests possible treatments to cure them.

Use the Group Work Organizer on the next page as a starting point.

Group Work Organizer

Group Members and Responsibilities:	
1	
2	
3	
4	
5	
Target Organization to Be Researched:	
Possible Research Sources:	
Possible Ideas for Position Paper:	
Due Date:	Value of Assignment: