

# EXECUTIVE SUMMARY

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Taken together, the 47 recommendations contained in this report serve as a roadmap for a collective journey by Canadians to reform and renew their health care system. They outline actions that must be taken in 10 critical areas, starting by renewing the foundations of medicare and moving beyond our borders to consider Canada’s role in improving health around the world.

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## CHAPTER 1 – SUSTAINING MEDICARE

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Chapter 1 argues that Canada’s health care system has served Canadians well and is as sustainable as Canadians want it to be. In addition to the imperative for social consensus for a public health system, the issue of sustainability needs to be assessed from three dimensions – services, needs and resources. Effective governance is needed to bring equilibrium between these dimensions.

*Services:* The practice of medicine and the range and nature of treatment options has changed significantly since medicare was introduced 40 years ago. The biggest changes have been outside the traditional medicare “core” of hospital and physician services, in areas like pharmaceuticals and home care. Concerns also exist about timely access to existing services, particularly in rural and remote areas, limited progress in advancing primary health care reforms and growing wait lists, especially for diagnostic services.

*Needs:* Our health care system is adequately meeting our needs. Canada’s health outcomes compare favourably with other countries and evidence suggests that we are doing a good job in addressing the various factors that impact on overall health. But there is room for improvement. However, there are serious disparities in both access to care and health outcomes in some parts of the country, particularly for Aboriginal peoples and in the north, which need to be addressed. Meeting the needs of an aging population will add costs to our system, but these can be managed if we begin to make the necessary adjustments now.

*Resources:* Canada’s spending on health care is comparable with other OECD countries and we spend considerably less per capita than the United States. All OECD countries are facing increasing health care costs and experience suggests that the wealthier the country, the more it spends on health care. While some have suggested that Canada relies too heavily on taxation to support its health system, comparisons show we are not much different than other countries. Alternative funding approaches currently under discussion in some circles have a number of

problems and would shift the burden of funding from governments to individuals. Moreover, there is no evidence their adoption would produce a more efficient, affordable or effective system. There are, however, serious problems in the balance of funding between federal and provincial governments. The federal share of health funding has dropped and health care is now taking up an increasing portion of provincial budgets. Health care costs are likely to continue to increase and choices will have to be made about how to manage them. Provided the system is prepared to change to meet their needs and expectations, Canadians appear willing to pay more for health care.

## CHAPTER 2 – HEALTH CARE, CITIZENSHIP AND FEDERALISM

Chapter 2 lays the foundation for all other aspects of the report and recommends a renewed commitment to medicare, new governance approaches, stable and predictable long-term funding, and targeted funding to facilitate change in critical areas.

### **Directions for Change**

#### ***Establish a new Canadian Health Covenant as a tangible statement of Canadians' values and a guiding force for our publicly funded health care system***

A proposed new Canadian Health Covenant would confirm our collective vision for the future of health care in Canada and clearly outline the responsibilities and entitlements of individual Canadians, health providers, and governments in regard to the system.

#### ***Create a Health Council of Canada to facilitate collaborative leadership in health***

A new Health Council of Canada would help foster collaboration and co-operation among provinces, territories, and the federal government. The Council would play a key role in setting common indicators and benchmarks, in measuring and tracking the performance of the health system, and in reporting results regularly to Canadians. Because of the important role of the Council in measuring results, the Canadian Institute for Health Information (CIHI) should form the backbone for the proposed new Council.

#### ***Modernize the Canada Health Act by expanding coverage and renewing its principles***

While the *Canada Health Act* (CHA) has served us well and has achieved iconic status, this does not mean it should be immune from change. The five principles of the CHA should be reaffirmed, the principle of comprehensiveness updated and the principle of portability limited to guaranteeing portability of coverage within Canada. A new principle of accountability should be added to the CHA to address Canadians' concern that they lack sufficient information to hold the appropriate people accountable for what happens in our health care system. The current scope of publicly insured services should also be expanded beyond hospital and physician care to include two new essential services – diagnostic services and priority home care services described in Chapter 8. Finally, the CHA should include an effective dispute resolution process.

***Clarify coverage by distinguishing between direct and ancillary health services, and change practices contrary to the spirit of medicare***

The growing reliance on private advanced diagnostic services is eroding the equal access principle at the heart of medicare. The CHA must include public coverage for medically necessary diagnostic services. Governments have a responsibility to invest sufficiently in the public system to make timely access to diagnostic services for all a reality. In a similar vein, they should also reconsider the current practice by which some workers' compensation agencies contract with private providers to deliver fast-track diagnostic services to potential claimants.

***Provide stable, predictable and long-term funding through a new dedicated cash-only transfer for medicare***

A new dedicated cash-only Canada Health Transfer should be established as part of the *Canada Health Act*. It will require an increased share of federal funding and will include an escalator provision that is set in advance for five years to ensure future funding is stable, predictable and increases at a realistic rate, commensurate with our economic growth and capacity to pay.

***Address immediate issues through targeted funding***

Five new targeted funds should be established:

- A Rural and Remote Access Fund: to improve timely access to care in rural and remote areas.
- A Diagnostic Services Fund: to improve wait times for diagnostic services.
- A Primary Health Care Transfer: to support efforts to remove obstacles to renewing primary health care delivery.
- A Home Care Transfer: to provide a foundation for an eventual national home care strategy.
- A Catastrophic Drug Transfer: to allow provincial drug programs to expand and improve coverage for their residents.

These targeted federal funds and transfers should be provided to the provinces and territories on the condition that they match or exceed federal support for these priorities. They would be short-term (two-year) arrangements until the new Canada Health Transfer is implemented. Thereafter, the Canada Health Transfer will fund these priorities directly.

## CHAPTER 3 – INFORMATION, EVIDENCE AND IDEAS

Chapter 3 sets the stage for electronic health records, a more comprehensive use of information management and technology, including health technology assessment, to provide essential information throughout the health care system, and a targeted focus on applied research.

### **Directions for Change**

***Enable the establishment of personal electronic health records for each Canadian building on the work currently underway in provinces and territories***

Many provinces and territories have taken steps to develop electronic health records and all agree that this is essential to improve how the health care system functions. Building on the resources already available in the provinces and territories and through Canada Health Infoway, it is important to accelerate the process and to make the promise of electronic health records a reality.

***Take clear steps to protect the privacy of Canadians' personal health information, including an amendment to the Criminal Code of Canada***

There are clear benefits to Canadians from electronic health records. They would have access not only to their own health information but also to a comprehensive base of trusted and reliable information about a variety of health-related issues. Canada Health Infoway should take the lead in promoting harmonized privacy rules across the country, and breaches of privacy should be treated as an offense under the *Criminal Code of Canada*.

***Provide better health information to Canadians, health care providers, researchers and policymakers – information they can use to guide their decisions***

Health care providers, researchers and policymakers need better information to guide their decisions. In addition to electronic health records, Canada Health Infoway should take the lead in establishing a comprehensive source of trusted health information that could be used by a variety of providers, decision makers and Canadians.

***Expand the scope, effectiveness and co-ordination of health technology assessment across Canada***

Promising advances in medical technology are occurring almost daily. While they have the potential to provide better treatments and cures, their costs are often substantial. Because of the growing importance of health technology assessment and the need to link it with broader assessments in the health care system, the current work of the Canadian Coordinating Office for Health Technology Assessment should become a vital part of the Health Council of Canada and provide a national focus for health technology assessment.

***Create new research centres for health innovation***

Canada has a solid base of research organizations but there are gaps in the applied research agenda. To address those gaps, four new Centres for Health Innovation should be established focusing on rural and remote health, health human resources, health promotion and pharmaceutical policy.

***Forge stronger linkages with researchers in other parts of the world and with policymakers across the country***

Canada's health care system has much in common with other countries around the world, especially European countries and members of the Organisation for Economic Co-operation and Development (OECD). It is important to develop deeper linkages among researchers around the world and to tap into available sources of information that can help support sound decision making in Canada.

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## CHAPTER 4 – INVESTING IN HEALTH CARE PROVIDERS

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Chapter 4 addresses the future for Canada’s health workforce, tackling immediate issues of supply and distribution but also larger issues relating to their changing roles and responsibilities, and the need for comprehensive, long-term national strategies.

### **Directions for Change**

#### ***Address the need to change the scopes and patterns of practice of health care providers to reflect changes in how health care services are delivered, particularly through new approaches to primary health care***

Changes in the way health care services are delivered, especially with the growing emphasis on collaborative teams and networks of health providers, means that traditional scopes of practice also need to change. This suggests new roles for nurses, family physicians, pharmacists, case managers and a host of new and emerging health professions.

#### ***Take steps to ensure that rural and remote communities have an appropriate mix of skilled health care providers to meet their health care needs***

A portion of the funds from the proposed new Rural and Remote Access Fund, as well as those from the Diagnostic Services Fund, the Primary Health Care Transfer and the Home Care Transfer, should be used to ensure that people in smaller communities across the country have access to an appropriate mix of skilled providers.

#### ***Substantially improve the base of information about Canada’s health workforce***

There are serious gaps in what we know about Canada’s health workforce. Concerted actions should be taken through the Health Council of Canada to collect, analyze and provide regular reports on critical issues including the recruitment, distribution, and remuneration of health care providers.

#### ***Review current education and training programs for health care providers to focus more on integrated approaches for preparing health care teams***

One of the best ways of ensuring that health care providers are able to work effectively in new, more integrated settings is to begin with their education and training. Education programs should be changed to focus more on integrated, team-based approaches to meeting health care needs and service delivery. The Health Council of Canada should help co-ordinate efforts to achieve these changes.

#### ***Establish strategies for addressing the supply, distribution, education, training, and changing skills and patterns of practice for Canada’s health workforce***

Health workforce issues affect all provinces and territories. Changes are necessary to facilitate concerted action at the national level, and long-term planning. The Health Council of Canada can serve as an important catalyst in this regard.

## CHAPTER 5 – PRIMARY HEALTH CARE AND PREVENTION

Chapter 5 outlines the need to accelerate ongoing efforts to reform how primary care services are delivered in Canada and to improve their focus on wellness. It also identifies ways to remove traditional obstacles to these reforms.

### **Directions for Change**

#### ***Finally make a major breakthrough in implementing primary health care and transforming Canada’s health care system***

The combined outcome of the actions proposed in this report must be to transform Canada’s health care system and have it focus squarely on primary health care. Canadians should have access to an integrated continuum of care 24 hours a day, 7 days a week, no matter where they live.

#### ***Use the proposed new Primary Health Care Transfer as the impetus for fundamental change in how health care services are delivered across the country***

The new Primary Health Care Transfer should provide the funding needed to accelerate primary care beyond the stage of pilot projects to achieve permanent and lasting change.

#### ***Build a common national platform for primary health care based on four essential building blocks***

There is no single model for primary health care that captures the diversity of needs and situations in Canada. However, a scattered approach with no consistency across the country is not the solution. Instead, four essential building blocks should define primary health care across the country: continuity of care, early detection and action, better information on needs and outcomes, and new and stronger incentives for health care providers to participate in primary health care approaches.

#### ***Mandate the proposed Health Council of Canada to hold a National Primary Health Care Summit to mobilize action across the country, then maintain the momentum by measuring progress and reporting regularly to Canadians***

Overcoming the numerous obstacles to primary health care requires determined and decisive action across the country. A national summit organized by the Health Council of Canada should mobilize action and, more importantly, “shine the spotlight” on the obstacles to change and set the stage for regular reports to Canadians on the progress being made.

#### ***Integrate prevention and promotion initiatives as a central focus of primary health care targeted initially at reducing tobacco use and obesity, and increasing physical activity in Canada***

For too long, Canada’s health care system has been overly focused on treatment rather than prevention. A central focus of primary health care must be on preventing illness and injury and helping Canadians stay healthy. Targeted actions should be taken to reduce tobacco use, reduce the alarming rates of obesity in Canada, and encourage more Canadians to live active lifestyles.

***Implement a new national immunization strategy***

Most Canadians remember being immunized against diseases like polio, measles or, more recently, meningitis. Canada has a reasonable track record on immunizations compared to other countries, but there is evidence that current programs are dated. We also need to take steps to ensure that Canada is well prepared to face new and emerging problems resulting from globalization and the evolution of infectious diseases.

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## CHAPTER 6 – IMPROVING ACCESS, ENSURING QUALITY

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Chapter 6 directly tackles Canadians' concerns about waiting times, access and quality in our health care system.

**Directions for Change*****Use the new Diagnostic Services Fund to shorten waiting times for diagnostic services***

There is clear evidence that Canada has under-invested in diagnostic technologies in comparison with other OECD countries and the result is long waiting times for essential diagnostic tests. The new Diagnostic Services Fund should be used not only to purchase equipment but also to train the necessary staff and technicians. Targeting this area as a first priority, provinces and territories could free up additional resources to address wait times for other essential services.

***Implement better ways of managing wait lists***

Wait lists in Canada are often poorly managed and there are few standard approaches in place to assign people to a wait list or co-ordinate lists among different providers or facilities. Steps must be taken to put centralized approaches in place within health regions, on a province-wide basis or even, in some cases, on a national basis. Patients also have a right to good information about how long they can reasonably expect to wait for treatment and what other options are available to them.

***Take deliberate steps to measure the quality and performance of Canada's health care system and report regularly to Canadians***

We cannot expect to keep improving the health care system if we do not have the necessary information to measure and track results. The proposed Health Council of Canada could play a vitally important role, working with the provinces and territories to collect comparable information and report regularly to Canadians on their health care system. This would include information on waiting times and a variety of measures of the quality of the system.

***Ensure that the health care system responds to the unique needs of official language minorities***

Being able to access health care in either official language is an important dimension of Canada's health care system. It is important not only from the perspective of access but also to ensure that people can understand and respond to treatment. Steps should be taken to build on the many successful approaches in place across the country to improve access to health services in both official languages.

***Address the diverse health care needs of Canadians***

Canada is a diverse country, and that diversity should be reflected in our health care system. The care we deliver should match the needs of different groups of Canadians, from men and women, to new Canadians, to visible minorities, people with disabilities and others.

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## CHAPTER 7 – RURAL AND REMOTE COMMUNITIES

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Chapter 7 establishes a new Rural and Remote Access Fund to improve access to quality health care and services in smaller communities across the country.

**Directions for Change*****Establish a new Rural and Remote Access Fund to support new approaches for delivering health care services and improve the health of people in rural and remote communities***

A new Rural and Remote Access Fund should provide a catalyst for a range of actions to improve access to, and the quality of, health in rural and remote communities. Provinces and territories would be expected to work directly with communities to identify needs and choose the best approaches for meeting those needs on a community-by-community basis.

***Use a portion of the Fund to address the demand for health care providers in these communities***

One of the biggest challenges smaller communities face is attracting and retaining health professionals. The issue is less about the sheer numbers of health care providers and more about the preferences of many professionals to live in major urban centres. A portion of the proposed new Fund could be used to develop a mix of strategies for attracting and retaining a mix of skilled health care providers in rural and remote communities.

***Expand telehealth to improve access to care***

Telehealth uses information technologies to link patients and health care providers to a wide variety of services outside their community. People in rural and remote locations can be linked to family physicians, specialists and other health services in other centres where health care providers can diagnose, treat and provide consultations at a distance. A portion of the Rural and Remote Access Fund should be used to build on the work already underway in many provinces and territories, and to expand the use of telehealth to improve access to health care services and information.

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## CHAPTER 8 – HOME CARE: THE NEXT ESSENTIAL SERVICE

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Chapter 8 outlines three critical areas where home care must become an essential service under the *Canada Health Act* umbrella.

## Directions for Change

### ***Use the proposed new Home Care Transfer to establish a national platform for home care services***

The proposed new Home Care Transfer should be used to ensure that all Canadians have access to a common platform of essential home care services.

### ***Revise the Canada Health Act to include coverage for home care services in priority areas***

Home care is an increasingly essential part of our health care system. While it is not possible to include all home care services under the *Canada Health Act*, immediate steps should be taken to bring services in three priority areas under the umbrella of the *Canada Health Act* – home mental health case management and intervention services, post-acute home care, and palliative home care.

### ***Improve the quality of care and support available to people with mental illnesses by including home mental health case management and intervention services as part of the Canada Health Act***

Mental health has been described as the “orphan child” of health care. Today, mental health care is largely a home and community-based service, but support for it has too frequently fallen short. It is time to take the long overdue step of ensuring that mental health home care services are included as medically necessary services under the *Canada Health Act*, and available across the country.

### ***Expand the Canada Health Act to include coverage for post-acute home care including medication management and rehabilitation services***

Advances in medical technologies and treatments mean that many procedures that previously required long hospital stays can be replaced by day surgeries or brief overnight stays. But many patients still need follow-up care and rehabilitation services in their own home. Providing coverage for post-acute home care services across the country on equal terms and conditions through the *Canada Health Act* is a necessary and logical next step. Coverage for post-acute home care should include case management, health professional services, and medication management.

### ***Provide Canada Health Act coverage for palliative home care services to support people in their last six months of life***

Given the option, information suggests that a growing number of Canadians with terminal illnesses would choose to spend their final days at home surrounded by family and friends rather than in an institution. Yet access to palliative care is uneven and depends very much on where people live and the resources of their community. The option of dying at home should be available to all Canadians in all communities. This step will make it easier for terminally ill Canadians to opt to spend the last six months of their lives receiving care at home.

### ***Introduce a new program to provide ongoing support for informal caregivers***

With more and more Canadians being treated at home rather than in other care centres, the burden on informal caregivers has grown significantly. Our health care system simply could not function without the thousands of parents, loved ones, family and friends that provide direct

support in the home. That support should be recognized by allowing informal caregivers to take time off work and to qualify for special benefits under Canada's Employment Insurance program. Human Resources Development Canada, in conjunction with Health Canada, should move forward with this initiative as a priority.

## CHAPTER 9 – PRESCRIPTION DRUGS

Chapter 9 addresses the difficult issue of prescription drugs, takes the important first step to integrate prescription drugs into Canada's health care system, and proposes a new National Drug Agency.

### Directions for Change

#### *Take the first steps to better integrate prescription drugs into Canada's health care system*

Prescription drugs are a large and rapidly growing component of the health care system. Some have argued that prescription drugs should be brought completely under medicare while others argue that would potentially bankrupt the system. The Commission's view is that we need to begin the process of integrating coverage for prescription drugs within medicare as part of a longer term strategy to ensure all Canadians benefit from comprehensive prescription drug coverage.

#### *Use the new Catastrophic Drug Transfer to offset the cost of provincial and territorial drug plans and reduce disparities in coverage across the country*

There are serious disparities across Canada in terms of catastrophic coverage for prescription drugs. Under this proposed new program, provinces and territories would receive additional funds to help cover the costs of prescription drug plans and protect Canadians against the potentially "catastrophic" impact of high cost drugs. This measure provides a clear incentive for provinces and territories to expand their coverage and will reduce inter-regional disparities.

#### *Establish a new National Drug Agency to control costs, evaluate new and existing drugs, and ensure quality, safety, and cost-effectiveness of all prescription drugs*

A new prescription drug comes onto the market in Canada every four to five days, and forecasts are that these numbers will increase rapidly. New research on genetic testing and biotechnology will undoubtedly bring with it a host of complex and difficult social, ethical and financial issues. Canada must have a comprehensive, streamlined and effective process in place for addressing these issues and ensuring the safety and quality of all new drugs before they are approved for use in Canada. But just as important, processes should be in place for reviewing drugs on an ongoing basis, monitoring their use and outcomes across the country, and for sharing timely and complete information and analyses. A new independent National Drug Agency would perform these functions on behalf of all governments and all Canadians.

#### *Establish a national formulary of prescription drugs to provide consistency across the country, ensure objective assessments of drugs, and contain costs*

Currently, each province and territory has its own list of prescription drugs that are covered under its drug insurance plan. A national formulary, developed by the National Drug Agency in conjunction with the provinces and territories, would support the goals of consistent coverage, objective assessments, and cost containment.

***Develop a new medication management program for chronic and some life-threatening illnesses as an integral part of primary health care***

Primary health care reform is an essential component of our vision for the future of Canada's health care system. Linking medication management with primary health care would ensure that the effectiveness of prescription drugs could be monitored on an ongoing basis by teams and networks of health care providers working with individual patients.

***Review aspects of Canadian patent law***

Like all other manufactured goods, patents protect new prescription drugs. The extensive 20-year guarantee of exclusive access to the Canadian market remains a matter of considerable debate in Canada. Canada's patent laws are consistent with international standards and our prices are lower on average than in other countries. However, certain aspects of Canada's patent laws should be reviewed to improve access to generic alternatives and to contain costs.

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CHAPTER 10 – A NEW APPROACH TO  
ABORIGINAL HEALTH

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In Chapter 10, we address the serious disparities in health for Canada's Aboriginal peoples and propose a new approach that cuts across traditional boundaries and focuses squarely on improving their health.

**Directions for Change**

***Consolidate Aboriginal health funding from all sources and use the funds to support the creation of Aboriginal Health Partnerships to manage and organize health services for Aboriginal peoples and promote Aboriginal health***

Aboriginal health programs are funded from a variety of sources including the federal government, provincial and territorial governments, local Bands and, in some cases, municipal governments and regional health authorities. Unfortunately, the resources are split among different organizations and objectives and, as such, their potential to benefit Aboriginal peoples cannot be effectively leveraged. Under this new approach, funding from all sources would be consolidated and allocated to new Aboriginal Health Partnerships (AHP), created solely and specifically to organize health services and improve the health of the communities and people they serve.

***Establish a clear structure and mandate for Aboriginal Health Partnerships to use the funding to address the specific health needs of their populations, improve access to all levels of health care services, recruit new Aboriginal health care providers, and increase training for non-Aboriginal health care providers***

This concept is a new one for Canada. It pools community-based expertise and resources into a single organization whose sole mandate and purpose is to organize services on behalf of Aboriginal peoples. These partnerships would be responsible for assessing needs, delivering services or purchasing them from other organizations, assessing outcomes on an ongoing basis, and providing public reports on the effectiveness and results of their efforts.

***Ensure ongoing input from Aboriginal peoples into the direction and design of health care services in their communities***

Through the proposed new AHP, Aboriginal peoples would have direct input and would be able to work with the AHP to ensure that programs are adapted to meet their needs and the needs of their community.

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## CHAPTER 11 – HEALTH CARE AND GLOBALIZATION

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Chapter 11 moves beyond Canada's boundaries to examine Canada's role in the global context.

**Directions for Change*****Take clear and immediate steps to protect Canada's health care system from possible challenges under international law and trade agreements and to build alliances within the international community***

There are no clear and definitive answers to the question of what international trade agreements mean for Canada's health care system. In the face of that uncertainty, the solution is not to sit back and wait for the outcomes of potential challenges under the various trade agreements. Rather, it is to take proactive steps to ensure that Canada can continue to make whatever policy decisions it deems necessary to maintain or expand the public health care system. Canada should build strategic alliances with other countries around the world that share this view.

***Play a leadership role in international efforts to improve health and strengthen health care systems in developing countries***

It is time for Canada to use both its positive relationships with developing countries and its considerable expertise in health care to contribute to health and health care around the world. This would involve strengthening Canada's role in foreign aid programs to assist in training much-needed health care providers for developing countries and in promoting public health initiatives designed to prevent the spread of illnesses such as polio, HIV/AIDS, and other communicable diseases.

***Reduce our reliance on the recruitment of health care professionals from developing countries***

Visit a small rural community and chances are good you will meet a doctor from a developing country who has come to Canada to practice. Canada has made extensive use of foreign-trained medical graduates, particularly in communities that have had trouble attracting Canadian doctors. While Canada has a long-standing policy of welcoming immigrants from around the world, we have an obligation to help protect health care systems in developing countries. We must learn to solve our problems domestically rather than rely on luring physicians away from developing countries where their services are desperately needed.