



Care Watch Ontario

Submission to the Standing Committee on Social Policy Regarding *Bill 60: Your Health Act, 2023* March 27, 2023

Care Watch Ontario welcomes the opportunity to comment on *Bill 60: Your Health Act, 2023*. Care Watch is a non-profit, non-partisan organization. Volunteers run it and older adults lead it. We advocate for high quality, affordable, and equitable home and community care for older Ontarians. We monitor policy and provide analysis and feedback to help advance policies to support dignified ageing.

Care Watch strongly supports the principles of the *Canada Health Act*, which guarantees all Canadians access to health services based solely on need and without financial or other barriers. In this context, we strongly oppose Bill 60. We believe it will:

Create barriers to accessing health care services.

Bill 60 aims to transfer large numbers of surgical and diagnostic services from non-profit public hospitals to private clinics. Government officials estimate that these clinics could serve up to 50% of “easy” cases. The most recent available data from the Auditor General indicates that 98% of the private clinics currently operating under the *Independent Health Facilities Act* are for-profit clinics (Ontario Health Coalition Analysis and Notes, March 2023). We can therefore expect that the large majority of the new private clinics would also operate on a for-profit basis.

Research shows that for-profit clinics tend to prioritize clients who are wealthier and who have less complex problems and fewer underlying conditions (for example, diabetes). Focusing on lighter-care clients enables these clinics to increase volumes, thereby increasing income, profit, and shareholder returns. Wealthier clients are also more likely to be willing to pay for the additional uninsured (and often unnecessary) services that significant numbers of for-profit clinics promote and sell. This “up-selling” can be an important source of additional income and profit. For example, for-profit cataract clinics often charge for additional uninsured and unnecessary services. Patients may pay as much as \$1,500 to \$2,000 for a cataract procedure - three to four times as much as the OHIP-covered cost (Ontario Health Coalition Analysis and Notes, March 2023).

Bill 60 has no provisions requiring for-profit clinics to serve all clients regardless of income or health status. Radically expanding the role of for-profit clinics will create major new barriers, which will particularly affect people with modest or lower incomes and those with more complex health conditions – groups that include significant numbers of older adults.

Increase costs.

Studies show that health care services provided by for-profit organizations, including for-profit clinics, cost more than when public and non-profit organizations provide those same services. A British study found that the cost of health care services in private specialty clinics was 11% higher than the cost of the same services in public hospitals. The Ontario Auditor General, in the 2001 *Special Audit of Cancer Care Ontario*, found that the costs associated with an experimental for-profit cancer treatment centre

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at Sunnybrook Hospital were \$500 per treatment higher than those for equivalent care in public cancer care centres. The Ontario provincial government pays private clinics for cataract surgeries at a higher rate than it pays public hospitals for the same services (Ontario Health Coalition Analysis and Notes, March 2023).

Bill 60's proposed expansion of the role of for-profit clinics will increase health care costs in Ontario. Unless there is an offsetting increase in the provincial health care budget, the result will be to reduce access to health care services for the general population.

Weaken the enforcement of quality and safety standards.

For-profit providers of health care services have strong incentives to skimp on staffing and quality of care in order to maximize shareholder returns. In Ontario, they have often fiercely resisted any government efforts to regulate patient care, safety, and protection.

Successive Ontario governments have been unable to effectively enforce standards of patient care and patient safety and protection in for-profit nursing homes. These homes have resisted even such minor measures of enforcement as annual surprise inspections. The weaknesses in standards for patient care and patient safety and protection were brought to attention during the pandemic in reports of horrendous patient conditions and greatly elevated death rates in for-profit nursing homes as compared to non-profit nursing homes.

Over the last ten years, many reports have documented difficulties experienced by Ontario governments in effectively regulating the existing for-profit clinics operating under the *Independent Health Facilities Act* (Ontario Council of Hospital Unions- CUPE: Submission to Standing Committee on Bill 38 Dec 2, 2019). These regulatory shortcomings, including ones affecting the enforcement of quality of patient care and patient safety and protection, have arisen in such areas as liposuction, pain clinics, colonoscopy clinics, and diagnostic clinics.

Public hospitals, by contrast, have rigorous regimes for maintaining standards of care, safety, and protection. They have responsible boards of directors and board committees tasked with overseeing compliance with these standards. They are also accountable through public reporting, unlike for-profits which are exempt from freedom of information laws.

Bill 60 has no provisions for enforcing standards of patient care and patient safety and protection in for-profit private clinics. We acknowledge that such provisions could be put in place at a later time through regulations established at the discretion of Cabinet. However, there has been no indication that the government plans to introduce a robust system for enforcing these standards in for-profit clinics, so we have no reason to believe this will happen. On the contrary, we believe that a large expansion of health care services in for-profit clinics, at the expense of public hospitals, will seriously weaken standards of patient care and patient safety and protection in a significant component of the health care system.

Place greater pressures on public hospitals.

The Ontario College of Physicians and Surgeons has stated that transferring surgeries and other health services from hospitals to private clinics will divert doctors, nurses, and other health professionals from hospitals to those clinics (*Globe and Mail*, “Ontario to boost surgeries at private clinics” Jan 13, 2023). This diversion of human resources will worsen the current serious health care staffing crisis, which is already stretching hospitals to their limits and which has resulted in prolonged waits in hospital emergency rooms and long delays in hospital admissions.

Bill 60 will also increase longer term pressures on hospital resources because it will change the profile of hospital patients. The widespread practice of for-profit clinics of prioritizing lighter-care clients will result in a significant increase in the proportion of complex patients that hospitals will need to serve, but without a corresponding increase in hospital funding.

Government has contended that Bill 60 is needed to reduce the backlog of surgical procedures. However, the evidence suggests that the main reason for this backlog is a shortage of health care staff in hospitals, an issue Bill 60 fails to address. In a report in 2021, the Auditor General found that many Ontario hospitals were running their operating rooms significantly under capacity because of a shortage of health care staff. Increasing hospitals’ capacity to perform surgeries would minimize, if not eliminate, the need for additional clinics.

We believe that the government should withdraw Bill 60 and instead urgently focus on developing and implementing a broad strategy to recruit sufficient new health care staff to seriously address the current shortage of doctors, nurses, personal support workers, and other health care professionals. This strategy will need to include measures to significantly improve salaries and working conditions, especially those of nurses and personal support workers, as well as stepped-up efforts to recruit health care staff in Ontario, in other parts of Canada, and internationally. Such a strategy would not only help to address the surgical backlog. It would also address other important issues, including the crisis in accessing urgent hospital care and the staffing challenges facing the community-based non-profit agencies that deliver home and community services.

Respectfully submitted,



Chair, Care Watch Ontario Board of Directors



Project Lead and Director, Care Watch Ontario
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