

# 'Third Way' Media Coverage

March 1-2, 2006

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1. \_\_\_\_\_

Globe and Mail (March 2, 2006)  
The real deal-breaker in Klein's health plan  
EDITORIAL

It is a pity that the Alberta government could not resist the temptation to go too far in its quest to reform health care. Most of its proposals, tabled this week, are savvy adjustments that would save money and pare waiting times. But the government undercuts its own sound economic medicine with the radical suggestion that individuals should be allowed to pay for faster access to publicly funded services. Doctors, in turn, should be allowed to straddle the public and private systems to provide those services. "We're not talking about taking the roof off," Health Minister Iris Evans argued. "We're talking about opening the door."

That door is labelled two-tier medicine. And the province, despite economic and medical evidence to the contrary, appears intent on blessing the creation of a parallel private system that would somehow deliver the same care as its public system. Other provinces, such as British Columbia and Quebec, are astutely exploring ways to allow more private provision of publicly funded care, so that everyone's treatment will be faster and better. In contrast, Alberta would allow those who want faster services to buy them, straining public resources and undermining its own highly sensible reforms.

It is an astounding perversion within an otherwise excellent 10-point framework. Alberta would allow pharmacists, nurses and other professionals to deliver primary, preventive and chronic care, probably within interdisciplinary teams. Physicians could then spend more time on complex cases. Doctors and other professionals would be paid for the quality of their care, not on a fee-for-service basis. Regional health authorities would work together to exploit their individual specialties. Urban hospitals could become specialized centres; rural hospitals could find space for rehab or less complicated acute-care cases. There would be greater reliance on specialized, privately owned clinics to deliver public care.

The document fairly bubbles with smart notions. And then it imperils those hard-won efficiencies with the possibility of a parallel system. In a major comparative study in 2004, University of Toronto health-law expert Colleen Flood, who holds the federal research chair in health policy and law, compared health systems in five Western nations, including two that permit parallel private care. The result? Perhaps because specialists in New Zealand and England can practise in both sectors, public-sector waiting lists there did not decline. In fact, Dr. Flood concluded that specialists "may even have an incentive to maintain long waiting lists in the public sector to generate demand for services on a private basis." She added chilling estimates: If 10 per cent of Canadian specialist capacity were diverted to the private sector, the public wait for hip replacements could rise to 146 days from 126; the wait for knee replacements could rise to 205 days from 177; and the wait for cataract surgery could rise to 93 days from 80.

It is not as if Premier Ralph Klein needed to conduct experiments to figure out what works. In 2002, after a three-year effort that probed international models with an avowedly open mind to private systems, the Senate social affairs committee concluded: "A single-funder system yields

considerable efficiencies over any form of multi-funder arrangement including administrative, economic and informational economies of scale." The committee, under chairman Michael Kirby, added a firm corollary: "Current restrictions which prevent doctors from operating in both parallel public and private systems should be maintained."

In fact, the Premier already has an intriguing delivery model that apparently works beautifully: the Alberta Hip and Knee Replacement Project. Patients are referred to a central clinic that shepherds them through the system. Waiting and hospital times have been cut. Cost analyses are being done as the model expands to other ailments. Clearly, the key is to figure out how to use public resources with concentrated efficiency, not to bless their dispersal.

It may be that Premier Klein is simply being mischievous, suggesting radical solutions as a ploy to win approval for his more modest, if still controversial, suggestions. He should take his parallel system off the table soon.

2. \_\_\_\_\_

Toronto Star (March 1, 2006)  
Klein moves to gut Medicare  
By Thomas Walkom

Ralph Klein has finally done it. The Alberta premier took direct aim at medicare yesterday with a plan that would formally legalize two-tier medicine in his province.

Klein's been at this for years. For his own, never-explained reasons, he has long had it in for medicare.

The only thing that's stopped him is the fact that Albertans, like most Canadians, value the country's publicly funded health insurance scheme.

Now in his final term as premier, he has finally delivered the long-promised poisoned apple.

Titled simply Health Policy Framework, the 18-page white paper released yesterday by Alberta Health Minister Iris Evans lays out a plan that, if implemented, would undermine universal medicare in the province and cause repercussions throughout the country.

It would do so by the simple expedient of allowing physicians to practise both inside and outside medicare.

Currently, every Canadian province with the exception of Newfoundland bars doctors who are part of the public medicare plan from offering the same so-called medically necessary services privately.

The reason is straightforward. The Canada Health Act, the federal law governing medicare, requires medically necessary services in participating provinces be offered equally and without extra charge to all citizens.

Most provinces decided that the simplest way to ensure this outcome was to give physicians a choice. They wouldn't be compelled to join medicare; indeed, they could charge patients privately to set bones or remove their spleens.

But if a doctor stayed out of medicare in some cases, he or she had to stay out in all.

For most doctors, this creates an important financial incentive to stick with medicare. Most figure they can't make a living operating entirely outside the public system. (In Ontario, the current Liberal government changed the law two years ago to require all physicians to operate inside medicare).

Even in Quebec, which has one of the most highly developed private systems in Canada, fewer than 100 physicians have opted out.

In Alberta, only one general practitioner has chosen to operate outside of medicare.

But Alberta's government would alter this balance significantly. In its white paper, the government says it wants to let the province's physicians operate both inside and outside of the public system insofar as "non-emergency services" are involved.

The aim, the paper says, is to "let individuals pay privately for faster access."

Practically speaking, that means doctors would be able to offer, say, high-priced hip replacement surgery to well-heeled patients on Tuesdays and then follow with medicare-financed hip replacements on Thursdays.

The problem, as University of Toronto law professor Colleen Flood points out, is that at any given time there are only a limited number of doctors.

If physicians are busy with their private-pay patients two or three days a week, they don't have as much time for their medicare ones. And that, in turn, means that waiting times within the public system will rise.

"Countries that allow the free movement of physicians between the private and public systems, like the United Kingdom, New Zealand, Australia, have big problems with waiting lists," Flood said yesterday. "So why would this help?"

She says the Alberta plan would be in "clear contradiction" of the Canada Health Act, which newly minted Prime Minister Stephen Harper has vowed to uphold.

Curiously, the proposal to gut medicare is in the midst of a paper that is otherwise unremarkable.

Like every other province, Alberta says it wants to figure out ways to encourage teamwork, expand efficiency and make the public system work better.

Michael Rachlis, a Toronto physician and consultant, says that in some areas Alberta under Klein has made path-breaking health reforms - particularly in the use of specialized public clinics to perform elective surgery.

"In some ways, Alberta's public system has become the envy of Canadians," said Rachlis. "And yet Klein still continues to talk about this (hammering medicare).

"It's eerie. Some of this (white paper) makes a great deal of sense. But other parts read as if they are cut and pasted from someone's ideological manifesto."

Certainly, Klein's proposals do promise to rekindle the great medicare debate.

From British Columbia, Brian Day, an orthopedic surgeon and outspoken proponent of two-tier medicine who is expected to become the next head of the Canadian Medical Association, welcomed the white paper.

"This has the potential to offer (shorter waiting times) to Canadians," Day said.

"The private sector is not a panacea. But I think that even if only 1 or 2 per cent of the system is privatized, the competition will make the public system do better."

Ontario Health Minister George Smitherman disagreed.

"Where people can pay more to receive more timely access, this is fundamentally at odds with the principles of a public health-care system," he told the Star's Rob Ferguson.

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***The following are links to Ralph Klein's Third Way announcement.***

***PRESS RELEASE***

<http://www.gov.ab.ca/acn/200602/19506B2146229-0A7D-942D-E9B71DD4FD88C882.html>

***EXECUTIVE SUMMARY***

[http://www.health.gov.ab.ca/healthrenewal/policy\\_framework\\_summary.pdf](http://www.health.gov.ab.ca/healthrenewal/policy_framework_summary.pdf)

***FULL DOCUMENT***

[http://www.health.gov.ab.ca/healthrenewal/policy\\_framework.pdf](http://www.health.gov.ab.ca/healthrenewal/policy_framework.pdf)

2. \_\_\_\_\_

Toronto Star (March 1, 2006)

Medicare on knife-edge?

Quebec's response to court ruling could provide springboard for more privatization, by Colleen Flood and Greig Hinds

Op-Ed by Colleen Flood and Greig Hinds

The Quebec government has released a White Paper outlining how it plans to respond to the Supreme Court's decision in Chaoulli. This was the case that struck down Quebec's law banning private health insurance for essential care on the basis that people had a right to buy private health insurance.

Quebec has proposed two types of health-care guarantee. With respect to radio-oncology, cancer surgery, and advanced cardiac care, the government will strictly apply clinically prescribed wait times. Patients not given care within that time-frame will be sent to another public institution or to a private clinic (either inside or outside Quebec), with all costs paid by the government.

Quebecers will not be allowed to buy private insurance to cover this kind of care. The irony is that in those countries with duplicate private insurance (also known as "two-tier" systems) private insurers generally refrain from covering these sorts of treatments - it is too expensive and complex and thus not profitable enough.

The second kind of care guarantee covers certain treatments chosen by the health minister at present, these are hip, knee and cataract surgery.

A patient waiting more than six months for one of these operations will have his/her treatment performed in another public clinic anywhere in Quebec or the new Cliniques specialisees affiliees, private clinics offering public services based on an agreement with the public network.

Anyone waiting more than nine months will receive care at a privately financed clinic in Canada or the U.S. or another country, courtesy of the Quebec treasury.

The government will monitor the success of this program and may decide to cover other treatments in the future.

The biggest change is that Quebecers may now also buy private insurance, but only for these designated services. So the impugned law prohibiting private insurance, which was at the heart of the Chaoulli decision, will be liberalized.

To begin, this will only cover the three listed treatments - hip, knee and cataract surgery - but more may be added later. You might call this the "Goldilocks solution" - not too much, not too little, but just about right.

The proposals cut across the gamut of possible publicly and privately financed solutions to Chaoulli.

First, the introduction of wait-time guarantees within the public system is a public fix to a public problem and the most optimal response for which one could hope.

However, in order to get wait times down there needs to be significant change within the system.

It is change to which many players in the system have long been resistant, for example, centralization of wait lists, that is, getting the lists out of the top drawer of the doctor's desk and into regional or provincial management.

Also needed is the creation of more capacity by changing the scope of practice for health-care providers and giving more power to nurses and pharmacists, etc.

Second, the proposals provide much more significant reform regarding the mix of public funding and private delivery.

Rather than the tough job of reforming public medicare and challenging the many vested interests, the easier response is to bring in more capacity by allowing delivery by private, for-profit clinics but with public funding.

This follows the British government's "middle ground" response to wait times. The system remains publicly funded but extra capacity is injected via private for-profit clinics.

But although this may well help reduce waiting lists there will be, as in Britain, significant costs associated with doing this.

Finally, Quebec will lift the prohibition on purchasing private health insurance for certain services provided in the public system.

Interestingly, the government is not proposing to defend this law given the new wait-time guarantees. Senator Michael Kirby argued before the Supreme Court that guarantees would be the only way the Quebec government could validate this prohibition.

So why liberalize the law now that wait-time guarantees are in place?

On a positive note, Quebec appears to have been persuaded by those who reacted strongly to suggestions that the laws prohibiting doctors working both sides of the public/private divide would be relaxed. That law remains intact.

Currently, there are only 100 Quebec doctors who have opted out of the public system and practise privately. We will have to see whether or not allowing private insurance will significantly increase the size of the private market and thus the enticement for doctors to move from public to private.

The good news is that Quebec has stated that it will at least consider regulating the number of doctors who opt out if too many doctors start to switch from the public to private systems.

As we are starting to see, the impact of the Supreme Court's Chaoulli decision is far greater than surely the court imagined it would be.

Although, in legal terms, Chaoulli is specific only to Quebec, it identifies health-system problems common across the country.

The decision has had, and is having, an enormous influence on health-care policy debates in British Columbia and Alberta, which may yet use the Chaoulli decision to justify reforms that go far beyond the terms of the court's judgment and far beyond the proposals coming out of Quebec.

Will Alberta and British Columbia put forward a similar set of nuanced and carefully balanced proposals, or will they see the Quebec proposals as a springboard from which to launch a far more radical privatization reform? Yesterday, the Alberta government signalled its intentions are to liberalize the law to allow doctors to work in both the public and the private sector. .

To paraphrase the Elven Queen Galadriel in *The Lord of the Rings* - "... the Fellowship (medicare) rests on a knife-edge .... stray just a little and it will be to the ruin of all. But hope yet remains when those in the Fellowship remain true ..." Let's hope so.

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*Colleen Flood is a Canada Research Chair in Health Law and Policy and Greig Hinds is a research manager at the Faculty of Law, University of Toronto.*

3. \_\_\_\_\_

Globe and Mail (March 1, 2006)

Alberta reshapes medicare

Plan allows patients to pay for fast access, MDs to offer both public and private care

BY KATHERINE HARDING

EDMONTON — Doctors could work in both the private and public health-care systems at the same time and patients could pay to have some procedures done quickly under a sweeping Alberta proposal that threatens to pit the province against Ottawa in a showdown over the future of medicare.

"The health system must change to survive," Premier Ralph Klein told reporters yesterday after releasing his long-promised "third-way" proposal for health-care delivery. "This is not about playing politics, or starting fights with anybody, or defending our turf."

Mr. Klein stressed that his Progressive Conservative government's 10-point plan is only a proposal and that he wants Albertans to provide feedback before April 1. "If there is a better idea, we'll use it," he pledged.

However, the Alberta Premier expects the measures, which are meant to reduce waiting lists and control the skyrocketing cost of health care, will likely pass before the spring session of the legislature ends in May. Medicare costs now run about \$9-billion a year in the province and eat up close to 40 per cent of its operating budget.

Alberta is not the first province to open the door to private health-care delivery: Quebec said last month it would pay for hip and knee replacements and cataract surgery at private clinics if necessary, and British Columbia has signalled an interest in allowing more private care. But Mr.

Klein's proposal is the most sweeping and could put Prime Minister Stephen Harper's new Conservative government in a difficult political position as it tries to uphold the Canada Health Act while not upsetting its deep Alberta roots.

The province's Health Minister, Iris Evans, said the proposal is simply an attempt to find a "middle ground" that would keep the public health-care system strong, adding that she isn't sure whether the plan would violate federal laws.

"You can talk about it being two-tiered health care — but it's no different from what's going on in Quebec, it's no different than what's going on everywhere they have a private clinic," she said. "It's people making choices for themselves."

Quebec doctors, however, are not allowed to switch back and forth between public and private systems. Instead, they must choose one or the other.

Ms. Evans said doctors in Alberta who opt to work in the mixed system would be subject to restrictions, which have not yet been determined.

She said doctors would probably have to spend a certain number of hours on the public side before being able to work privately. Only non-essential procedures such as hip and knee replacements and cataract surgeries could be offered privately, she said. How much doctors could charge patients in the private system has also not been decided.

Alberta sent copies of its proposal to Mr. Harper and federal Health Minister Tony Clement yesterday morning. The plan also calls for an end to government funding for experimental treatments and drugs.

Mr. Clement told reporters in Ottawa that any changes to the health-care system must be done within the confines of the Canada Health Act, but refused to say whether he believes Alberta's proposal meets that test.

When asked whether patients should be allowed to pay to get treatment faster than the public system can offer, Mr. Clement said, "I think the Canada Health Act is clear on that question," but he did not elaborate.

Mr. Klein would not say what his government would do if Ottawa tries to stop it from going ahead with its plan. "We'll cross that bridge when we get to it," he said.

Opposition parties in Alberta said the changes would alter medicare forever. The last time Mr. Klein tried to expand the delivery of private health care in Alberta, six years ago, his plans were met with huge protests at the legislature.

Friends of Medicare Alberta co-ordinator Harvey Voogd expects Albertans to soundly reject the government's health-care proposals.

"I have no doubt that the final decision-makers on this issue will be Albertans," he said. "As the details come out, Albertans will react very strongly and the government will have to either acknowledge that or pay a political price."

Cy Frank, the Calgary doctor who spearheaded a pilot project that resulted in a dramatic drop in waiting times for hip and knee replacement, said nobody in the government had consulted him or his peers about allowing patients to pay for certain orthopedic services.

"We're not aware of any such plan, but I know they've been musing about that," said Dr. Frank, who is director of Alberta's new Bone and Joint Institute.

Launched last April, the pilot project has seen waiting times for hip and knee replacements slashed. Patients are on the operating table 11 weeks after the first referral to an orthopedic surgeon rather than the usual 19½ months.

But Colleen Flood, a health law expert at the University of Toronto, said research has shown that waiting times in the public system have actually increased in countries such as New Zealand, Ireland and Spain that have allowed doctors to work in both the public and private systems.

"Many countries that allow a private tier have a raft of complicated legislation to try to suppress its ability to flourish," she said.

4. \_\_\_\_\_

Globe and Mail (March 1, 2006)  
Klein's revolution gives Harper a tough choice  
BY JOHN IBBITSON

OTTAWA -- "We're not talking about taking the roof off," Alberta Health Minister Iris Evans insisted. "We're talking about opening the door."

No, minister, it's not the door. It's the whole freakin' roof.

The innocuously named Health Policy Framework, released yesterday by the Alberta government, marks the beginning of the end of medicare as practised today in Canada; the end of the Canada Health Act, at least as conventionally interpreted; the end of the world's only fully publicly funded health-care delivery system; the end of the guarantee that only need, and never wealth, will determine who gets served first.

It had to happen sooner or later, but it happened yesterday. Unless this whole thing is some kind of monstrous trial balloon, Alberta Premier Ralph Klein has decided to make dismantling medicare his final legacy. Only one thing -- one person -- can stop him. That person is Stephen Harper. And he has an impossibly difficult choice.

Mr. Klein's Progressive Conservative government has promised legislation that will introduce parallel private medical care to Canada. Starting with joint replacement, and ending who knows

where, doctors will be allowed to work in the public system, collecting their government cheques, and then in their spare time operate a private practice, charging clients whatever the market will bear.

This is entirely different from the proposed Quebec reforms, where doctors still must either opt entirely in or opt entirely out of medicare. This is blended care. Two-tier care. The care that Stockwell Day, as Canadian Alliance leader, once held up a sign promising never to permit.

Mr. Klein will be retiring from political life sooner or later, which is why he is prepared to foment this political storm. But his decision will spawn crises and controversies in every legislature in the land.

Alberta's shiny new facilities, generous budgets and low taxes have already made the province tempting to doctors in other provinces. Now it could become irresistible to ambitious specialists eager to pad their income by going down the road to Calgary. How do hospital administrators in Saskatoon or Vancouver -- or Toronto or Halifax, for that matter -- keep their orthopedic surgeons from leaving?

In consequence, provincial governments will be under tremendous pressure to emulate Alberta, or watch their doctor shortages get worse. Some premiers will respond by demanding action from Ottawa, urging the Conservative government to declare the Alberta legislation a violation of the Canada Health Act, and threatening to withhold transfers to the province if it is passed into law.

What will Mr. Harper do? He is an avowed supporter of the Canada Health Act. But, in his heart, he knows that opening the system to parallel private care is the best solution to escalating costs and deteriorating service. He will be loath to interfere in a sphere of provincial jurisdiction. And his political base is in Alberta.

He could employ sophistry, arguing that the Alberta proposals do not violate the Canada Health Act, provided that access to publicly funded care is not compromised. Or he might stall, saying there is no point in challenging the bill unless and until it becomes law, while hoping that opposition from inside Alberta forces Mr. Klein to retreat. Federal Health Minister Tony Clement was exquisitely noncommittal last night, promising only that he would watch the debate with interest.

"If you're asking me to make a judgment on a legal question, my answer is, we're studying it," he told reporters, and he doesn't care who knows it.

But Mr. Harper will be pushed hard by the opposition parties, which could make it an issue of confidence in the minority government. While in office, the Liberals tried to ignore the creeping privatization of the health-care system across the country. But now, freed from the encumbrance of public office, they will become champions of the sacred trust. The Bloc Québécois might shrug off the Alberta move -- provincial sovereignty and all that -- but NDP Leader Jack Layton will make this the cause of his life. Things could become sticky.

The "third way" legislation will not be introduced until April, and is unlikely to be passed before autumn. It remains possible that popular opposition to the proposals from within Alberta itself will force the Klein government to back down.

Unless and until that happens, the Alberta challenge will strain interprovincial relations, destabilize Parliament and ignite a debate on the future of what, for some people, is this country's most cherished social program.

It was the roof, minister. And it was blown off by a whirlwind.

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## **SIDEBAR**

### ***Province by province***

*Newfoundland. Little private care available and no serious discussion about further privatization. Private insurance option available for treatments that are also performed in the public system.*

*Nova Scotia. No moves to further privatize health care. Much private delivery of long-term care funded through the public system but with high co-payments. Private insurance option available for treatments that are also performed in the public system.*

*New Brunswick. No plans for further privatization, either in funding or delivery, but there are high-co-payments in long-term care. Private insurance option for treatments that are also performed in the public system.*

*PEI. The Ministry of Health runs the health system and there are no discussions of further private delivery. High co-payments for long-term care.*

*Quebec. Will pay for some types of treatment at private clinics if they are unavailable in a timely manner publicly. Will allow limited private insurance for those treatments. Many private diagnostic clinics require users to pay.*

*Ontario. There is a commitment to the publicly funded system and non-profit delivery. Government has argued against private diagnostic clinics for MRIs and CAT scans.*

*Manitoba. No plans for more privatization, either in terms of financing or delivery.*

*Saskatchewan. No plans for more privatization, either in terms of funding or delivery. Much private long-term care delivery, but co-payments are lower than in the East. Private insurance option for treatments that are also performed in the public system.*

*Alberta. Is considering a plan to allow doctors to work in both the public and private systems if a business case can be made for private care and if the doctor has performed a minimum number of hours in the public system.*

*British Columbia. Has signalled a willingness to introduce more private care into the public system but is making major investments in the public system. Premier Gordon Campbell is currently looking at systems in European counties that have a blend of public and private care.*

5. \_\_\_\_\_

Globe and Mail (March 1, 2006)

Doctors react warily to proposed changes

Though Klein's plan is too sparse to judge, some MDs concerned about its direction

BY DAWN WALTON

CALGARY -- In Alberta, health-care reform is not just a contentious issue for politicians, but for doctors, who were cautious yesterday in their assessment of Ralph Klein's "third-way" cure for the public health system.

Tom Noseworthy, a Calgary physician who was chairman of the Western Canada Waiting List Project, said making patients the focal point for reform makes sense, but the plan doesn't include enough specifics to rush to judgment.

"The whole billing of a cataclysmic change in medicare is not the case," said Dr. Noseworthy, who described the proposal as a framework, not a prescription for change.

However, he said, talk of allowing doctors to work in both the private and public systems for necessary services is "idiotic." It would help a few people buy their way to the front of the line, he said, but it wouldn't address waiting lists or doctor shortages in the public system.

"I have very serious concerns that Alberta is going to go in that direction," Dr. Noseworthy said, adding that he has similar concerns about allowing doctors to bill in both systems for non-essential services.

"That will let the cat out of the bag that you will never get back in," said the doctor, who is also head of the community health science department at the University of Calgary's faculty of medicine.

Physicians here often refuse to comment about health care changes, ask not to be named or reserve judgment on policy proposals until they become legislation or law.

One new proposal, however, would allow patients to pay for hip and knee replacements.

Cy Frank, the Calgary doctor who spearheaded a pilot project that resulted in a dramatic drop in waiting times for hip and knee replacement, said nobody in the government has talked to him or his peers about allowing patients to pay for certain orthopedic services.

"We're not aware of any such plan, but I know they've been musing about that," said Dr. Frank, who is director of Alberta's new Bone and Joint Institute.

Launched last April, the pilot project has already seen waiting times for hip and knee replacements slashed. Patients are on the operating table 11 weeks after the first referral to an orthopedic surgeon rather than enduring the usual 19½ months in the queue.

Dr. Frank said it's too soon to talk about how a user-pay system for those procedures would work, but he looks forward to discussions with the province.

"We would have to talk about the implications of it," he said. "Our goal is to provide appropriate access and quality of care to all Albertans, which is what the institute has stood for from the beginning. We're going to work with all the regions and Alberta Health, and all the docs to make it the best we can. That's our goal.

6. \_\_\_\_\_

Albert Friends of Medicare (February 28, 2006)

News Release - For Immediate Release

Third Way plan clear – more private health care everywhere

Private insurance, private doctors and private delivery all on Alberta's agenda

Edmonton – “The details released today confirm what Friends of Medicare has been saying about the Government of Alberta's Third Way health care plans,” said Harvey Voogd, Coordinator for Friends of Medicare. “The province wants more private health care everywhere. The Third Way is about private insurance, private doctors and private delivery.”

“Alberta's plan to expand private insurance will only lead to more out-of-pocket expenses for individual Albertans and patients,” said Voogd. “Instead of guaranteed provision of health services, Albertans' coverage may depend on their insurance company. All Albertans need to ask themselves will they be covered?”

“Allowing doctors to work in both the public and private systems will create a two-tier health system,” said Voogd. “And this new two-tier system will only increase waiting times. We already have a shortage of health professionals in Alberta. Allowing doctors to spend part of their time in a lucrative private health care tier will leave fewer doctors to help patients in the public system.”

“The Third Way also sees a bigger role for private clinics such as Calgary's Health Resource Centre,” said Voogd. “That clinic currently has a contract with the Calgary Health Region which pays it 10 percent more for hip and knee surgeries than what it costs in the public system. Yet there is no evidence that private for-profit delivery is more cost-effective or better for patients than public health care?”

“Health Minister Iris Evans says she wants to hear from the public during the month of March,” said Voogd. “Albertans have one month to let their MLA know their how they feel about the Third Way. If we don't speak up now, the Third Way may be a done deal by April.”

Friends of Medicare is a non-partisan, provincial organization that raises awareness of issues related to Medicare in Alberta and Canada.

*For more information, please contact:*

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7. \_\_\_\_\_

Canadian Press (March 1, 2006)

New Alberta health plan means those with cash can get faster hip replacements

BY BOB WEBER

EDMONTON (CP) - Alberta has confirmed plans to reform health care by opening the door for private insurance, letting patients pay for faster access to some procedures and allowing doctors to work in both the public and for-profit systems.

"What we're looking for is some middle ground that accounts for capacity to keep the public system strong and protected by sufficient doctors," Health Minister Iris Evans said as she introduced Premier Ralph Klein's so-called Third Way on health-care reform.

"You can talk about it being two-tiered, but it's no different than what's going on in Quebec. It's no different that what's going on in every place they have private clinics.

"It's people making choices for themselves."

However, Quebec doctors are not allowed to switch back and forth between public and private systems and so must choose one or another.

Public health-care advocates have often warned that allowing doctors to work both sides shifts resources into for-profit care, draining the public side of professionals and burdening it with the more expensive, high-risk operations.

But in a health policy document released Tuesday, Klein's government said the change would reduce waiting times overall.

"Greater flexibility and reduced wait-lists could be achieved by allowing both public and private providers to offer enhanced services and expedited access . . . at an appropriate charge," the plan says.

However, speaking to reporters, Evans acknowledged the move wouldn't necessarily have that effect.

"It, of its own accord, may not help the public system by withdrawing people. But it's the work that we're doing in the public system that will help.

"These will be alternatives for people that can afford to pay for them."

Speaking later, Klein acknowledged he didn't know whether the proposed reforms would reduce health costs in Alberta or simply the government's share of them.

Still, he said something has to give.

"The health system must change to survive, and all premiers agree on that. The federal health minister agrees."

In Ottawa, federal Health Minister Tony Clement wouldn't comment on whether the proposed changes would contravene the Canada Health Act.

"We're examining the situation closely but my concern is accessibility," Clement told reporters Tuesday.

"The issue that Canadians should be concerned about is are any reforms that are being proposed, are they such that accessibility to the publicly available, universally accessible health-care system are enhanced or are they not."

Evans said regulations would govern how doctors could go back and forth between public and private health. They may, for example, have to spend a certain number of hours on the public side before being able to work privately.

She said the plan would not result in any delisted services, although future additions to public care would be done sparingly.

"Alternative funding arrangements," such as private insurance or special savings accounts, could be used to pay for prescription drugs and long-term care.

The public will be able to comment on the plans for one month via letters, e-mails and telephone, said Evans, but no public hearings are planned. Legislation is expected in April.

Harvey Voogd of the lobby group Friends of Medicare called Klein's plans a challenge for Prime Minister Stephen Harper.

"This could be the first real test of whether (Harper) is serious about protecting the Canada Health Act," he said.

Liberal Opposition health critic Laurie Blakeman said the plan would simply allow doctors to perform the least complex operations in their private practice, leaving the riskier, more expensive procedures to public institutions.

"We have a capacity problem," she said. "Allowing doctors to move out of the public system is not going to make that problem go away."

It will, she said, simply lead to Alberta luring more doctors and health professionals from outside the province.

Alberta's proposals have been tried in countries such as France and England, she said.

"They still have very long waiting lists, there's still problems with access, there's still problems with fee structures."

Ontario Health Minister George Smitherman said his province disagrees with the idea of allowing people to pay their way to the front of the line for health services.

"We believe fundamentally that a health-care system is a public benefit to be enjoyed equally by people, and accordingly we seek to enhance access for all," Smitherman said.

"Taking a doctor from the public health-care system and moving them into the private system when there are significant shortages of doctors . . . is going to have very little effect except to leave a lot of abandoned patients behind in the public system."

9. \_\_\_\_\_

Canadian Press (March 2, 2006)

Harper sends signal to fellow Albertan Klein: respect the Canada Health Act

BY DENNIS BUECKERT

OTTAWA (CP) - Prime Minister Stephen Harper signalled Wednesday he is not about to rubber stamp Alberta's "third way" health reforms, saying he wants to make sure any changes respect the Canada Health Act.

Harper didn't offer a detailed assessment of Alberta's proposal at a news conference, noting that it's just a working document at this time, but he promised his government will have more to say within days. Still, his statement suggested he is not about to knuckle under to Alberta Premier Ralph Klein without a serious test of wills.

"This government is committed to the Canada Health Act," he said.

The implication is that Harper will defend the act if necessary, but his comment didn't address what Ottawa can do ensure compliance by a cash-flush province that may no longer be hobbled by a cut in federal transfer payments.

Harper's caution on health care is borne out of experience. Many Conservatives believe Klein's musings about medicare gave the Liberals the opening they needed to sow fear of Harper into the minds of voters during the 2004 election.

Similar questions raised by the Liberals were blunted by Harper's unequivocal support for the Canada Health Act during this winter's campaign.

The act has traditionally been enforced by withholding transfer payments from provinces breaking the rules.

Harper seemed to place his hopes in Albertans themselves.

"My understanding is that the Alberta government is not just committed to the Canada Health Act, but the Alberta government has enshrined the Canada Health Act in Alberta's own legislation."

Klein has a history of putting forward highly controversial proposals before retreating.

Although Alberta's proposal lacks detail it would appear to permit queue-jumping by patients willing to pay for faster treatment, and would allow doctors to work in the public and private systems simultaneously.

Michael Decter, chairman of the Health Council of Canada, said his early reading of the Alberta plan is that it would in fact contravene the federal health law.

"The Alberta paper, if I'm reading it correctly, seems to propose a private, parallel system . . . and it is difficult for me to see how you can do that without violating the Canada Health Act.

He noted that Alberta's plan goes farther than Quebec's recently announced health reforms.

Quebec would force doctors to choose between the private and public systems, while the Alberta plan would allow doctors to work on both sides simultaneously. Experts believe giving doctors access to medicare patients as well as those willing to pay for private care represents a threat to the public system.

Quebec would give patients access to private care only if the public system cannot deliver the care within a reasonable time, while the Alberta plan lacks any such restriction.

"It looks as though they may be preparing to allow people to simply buy insurance for medically necessary service and that, absent some waiting list test, strikes me as unlikely to pass muster," said Decter.

Tom McIntosh of the Health Policy Research Networks said Alberta's plan, if it does proceed, does have the potential to undermine Canada's medicare system.

"Harper's in a difficult place," said McIntosh. "He's got 26 MPs from Alberta who form one of the core bases of his support, so picking a fight with the government of Alberta two months into office is probably not what he wants to do."

Even if Ottawa imposes fines, it's far from clear they would have any deterrent effect, he said.

"We've never been in a situation where one of the provinces could afford to say with very little problem, you know what, you can keep the money." Interim Liberal leader Bill Graham said Harper should take a tougher stance with Alberta.

"My concern is that because it's Alberta, at the moment it's 'Oh well, we'll be careful about what we say here.' I think we want to hear something a little more forceful than we heard from the health minister and the prime minister today on this.

"Mr. Harper said during the election that he would protect the Canada Health Act and his job as the prime minister of Canada . . . is to make sure that whatever proposals Mr. Klein is coming up with do not threaten the integrity of the Canada Health Act."

10. \_\_\_\_\_

Globe and Mail (March 2, 2006)  
Taking a trip to Wonderland with Stephen and Ralph  
BY JOHN IBBITSON

Stephen Harper has a very large problem. He wrote an election platform, and he wrote a letter.

At a press conference yesterday, the Prime Minister promised to respond within "the next few days" to Alberta's proposed introduction of two-tier medicine in the province's health-care system. Mr. Harper clearly believes Ralph Klein has gone too far, wishing the Alberta Premier had limited himself to the more modest reforms under way in Quebec.

The Liberals, who have long warned that the federal and provincial Tories were in unholy cahoots, have wasted no time in exploiting the situation.

"We'll hold the government to account to ensure they enforce the Canada Health Act," acting Liberal leader Bill Graham promised yesterday. As well he should. After all, Mr. Harper co-wrote and signed his name to the Conservative election platform, which declared: "We are committed to a universal, publicly funded health-care system that respects the five principles of the Canada Health Act." No reasonable citizen can accept that the act and the Alberta proposal are compatible. Only in Wonderland do you get to say: "We have looked at the Canada Health Act, and decided it now means something completely different from what we used to think it meant."

If, however, Mr. Harper does declare the proposed Alberta legislation ultra vires, then he will look like a fool and a hypocrite: A fool, because Ottawa has no real power to punish Alberta by withholding health-care transfers -- those transfers are now the equivalent of a rounding error in the Alberta budget; and a hypocrite, because everyone knows the Prime Minister supports increased private-sector participation in the health-care system.

After all, Mr. Harper was co-author of the notorious "firewall" letter that he and several others sent to Mr. Klein in 2001, demanding greater autonomy for Alberta. That letter urged Mr. Klein to "resume provincial responsibility for health-care policy. If Ottawa objects to provincial policy, fight in the courts. If we lose, we can afford the financial penalties that Ottawa may try to impose under the Canada Health Act," the letter continued. "Albertans deserve better than the long waiting periods and technological backwardness that are rapidly coming to characterize Canadian medicine."

Think of it: If Mr. Harper imposes penalties on Alberta under the Canada Health Act, he will be the Prime Minister he advised Mr. Klein to defy in the letter he wrote five years ago. Maybe it is Wonderland after all.

Even opponents in Alberta to the Klein government's proposals are telling Mr. Harper to butt out. Brian Edy, who ran for the provincial Liberals in the 2001 election, warned against any intrusion by the federal government in this debate.

"This is not an area where we should look to the federal government to attempt to enforce their vision on what is sole provincial jurisdiction," he wrote yesterday in an e-mail. "The people of Alberta must decide one way or another in the next provincial election."

In Alberta, there are sovereigntists and federalists, but everyone's a nationalist.

So if Mr. Harper acts against the Alberta government, he'll betray his own past, infuriate Albertans of every stripe, and risk a schism within his party. Yet, if he does nothing, he will break an election promise and alienate middle-class urban voters in Ontario who, as a whole, are a lot more supportive of protecting public health care than are their Alberta counterparts -- which is why Dalton McGuinty's Liberal government lost no time in criticizing the Alberta initiative.

Somehow, Mr. Harper and Health Minister Tony Clement must navigate their way through these political rapids, trying not to get too close to either shore, while avoiding submerged rocks. Maybe they'll invoke an arcane dispute-resolution mechanism; maybe they have something planned that no one else has figured out yet. Or maybe they'll just capsizes and get wet. Right now, this corner is taking no bets.

11. \_\_\_\_\_

Globe and Mail (March 2, 2006)  
"Two-tier" proposal denounced by Ontario  
BY KAREN HOWLETT

Alberta's bold proposal to reshape its health-care system by allowing patients to pay for some services clearly falls outside the country's long-standing medicare program, Ontario government officials said yesterday.

"The suggestion of two-tier medicine, which is one of the elements of that plan, is a very, very deliberate and obvious threat to medicare," Ontario Health Minister George Smitherman said.

Premier Dalton McGuinty, asked whether he thinks Alberta's so-called third way complies with Canada's publicly funded health-care system, said: "Not the way I see it. When it comes to reducing wait times for example, we should do that for everybody, not just for those who can afford to jump to the front of the queue."

Mr. Smitherman said the Alberta government's proposal, which would allow doctors to work in both the public and private health-care systems, would create an even greater shortage of doctors.

Every doctor in the public system treats 1,300 patients on average, he said, citing Ontario Medical Association statistics. The ratio of doctors to patients in private clinics is 1 to 500. As a result, he said, every doctor who exits the public system leaves behind 800 "orphaned" patients.

However, Mr. Smitherman said he is not worried about an exodus of Ontario doctors to Alberta because the government has found ways to better compensate them. As part of an accord with doctors last year, Ontario gave pay increases averaging 23.8 per cent over four years, tax breaks and an end to a cap on billings effective tomorrow.

Mr. Smitherman said there are only so many people, even in resource-rich Alberta, who can afford high fees for private health-care services. "There's only so much gravy that can be lapped up," he said.