BLURRED LINES:

Private Membership Clinics and Public Health Care

Rebecca Graff-McRae

Executive Summary

Canadians value highly their universal, single-payer public health care system, distinguishing it from two-tier health care in the United States. But we often forget that a line exists between free, universally accessible, medically necessary care and complementary, alternative, cosmetic, or preventative care—a line predicated not on the basis of need, but on the ability to pay. Moreover, this line is frequently, often deliberately, blurred by various private, for-profit health care services. Across Canada some health care providers have found ways to commercialize medicine while professing to remain within the bounds of the Canada Health Act. Accessory fees, block fees, private surgical fees, and membership fees are all attempts to profit from the ill, the injured, and the "worried well."

This report looks specifically at the phenomenon of private membership clinics in Alberta, which charge annual membership fees for combined physician and complementary practitioner care. The report initially set out to provide an adequate map of these clinics operating within the province. Unfortunately, whether for reasons of ideological, party-political, corporate, or personal interest (or perhaps simply bureaucratic ineptitude), no systematic inventory of membership-based medical clinics has been kept at either the provincial or national level. Despite the data's severe limitations, this report nonetheless reveals a system of size, scope, and scale of influence about which few Albertans—and perhaps not even the government—are fully aware.

Because the most complete investigations of these clinics to date have come about through audits conducted by Alberta Health, this report subsequently turns to what the audits revealed about the clinics. Between 2011 and 2014, three such clinics underwent audits by Alberta Health to determine if their billing practices and access policies violated the Canada Health Act. Another such audit—of the Copeman Healthcare Centre—was announced in the legislature in May 2016.

Based on documents obtained by Parkland Institute under freedom of information requests, our research finds that while all of the clinics under scrutiny were found to be within the law, the audits overlooked or omitted important avenues of inquiry around access. It also determines that membership clinics can closely skirt the boundaries of provincial and federal legislation in order to maximize profits, maintain exclusivity, and promote their business model to Albertans, corporations, and the provincial government.

Finally, this report also examines the audit process itself that looked into membership clinics, and asks whether there are sufficient measures in Alberta to ensure that the spirit of the Canada Health Act, as much as the letter of the law, is being upheld. The evidence suggests that the audit process is flawed, in that its methodology privileges the protection of business interests, focuses on an extremely narrow scope of investigation, enshrines lack of transparency, and offers little tangible redress for those wronged; that the data collected or released regarding private clinics and how they work is inadequate; that the audits fail to examine potential conflicts of interest; and that the audits have allowed Alberta Health to pass responsibility on to the College of Physicians and Surgeons of Alberta, on the premise that the issue is merely an ethical one, not a political or legal concern, thereby contributing to a troubling lack of enforcement.

This report concludes with a series of recommendations crucial to closing off perceived loopholes and clarifying grey areas—ultimately, ensuring that the blurred line between "public" and "private" health care is held up to the light.

Recommendations:

1. Close legislative loopholes. At the federal level, Health Canada should decisively clarify their interpretation of the Canada Health Act and seek to close legal loopholes currently being exploited by private membership clinics and private surgeries.
2. Exercise greater provincial oversight and regulation of membership- and fee-based clinics. This includes greater enforcement of existing stipulations regarding medical billing and access, as well as increasing the scope of powers of the Canada Health Act and its provincial counterparts to enforce these provisions.
3. Establish an independent ombuds office to ensure that complaints and spurious practices are reviewed objectively and accountably, and with greater enforceability.
4. Implement a more comprehensive and transparent audit process that fully examines the practices of such clinics, not merely their written policies.
5. Improve data collection and mandatory reporting surrounding private membership clinics. Current and accurate information about the number and practices of private clinics allows for more appropriate policy decisions to be made and enables prospective patients to make informed choices about who delivers their health care and at what cost.

6. Alberta Health should provide explicit support for the public health system while exploring options to increase the efficiency of delivering high-demand services. This might include:
    a. Exploring evidence-based alternative models of providing primary and preventative health care, but in a setting that does not charge block membership fees.
    b. Further exploring proposals to replace the fee-for-service model in ways that implicitly encourage collaborative care without categorizing it as a luxury service.
    c. Bringing diagnostic imaging fully under the Alberta Health Care Insurance Plan to reduce the financial incentive for upselling services and providing unnecessary tests. The recent move towards returning all laboratory services to provincial control may help to reduce the commodification of these services and their role in jumping the queue.