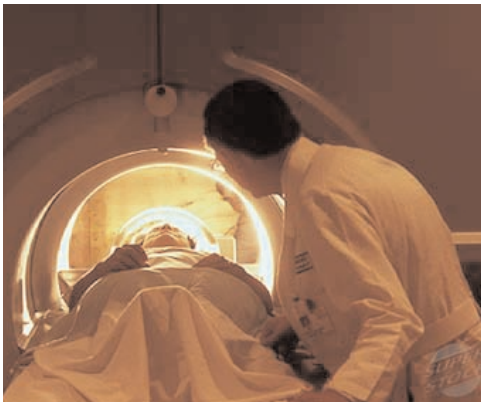
For-Profit Health Care

Fact Sheets on Key Health Care Issues

For-profit health care delivery threatens to undermine Medicare



In his final report, *Building on Values: The Future of Health Care in Canada*, delivered to Parliament in November 2002, Commissioner Roy Romanow was very clear in rejecting for-profit delivery of health care. The Commission states that "direct health care services should be delivered in public and not-for-profit health care facilities."

In rejecting privatization or a for-profit model of sustaining the health care system, Romanow reiterated the challenge he made to the proponents of such an approach that they provide convincing evidence that this approach would improve our health care system. The evidence was not forthcoming.

The Ecumenical Health Care Network (EHCN) applauded the position the Commission took against for-profit options for sustaining the health care system. That position was consistent with the recommendations the EHCN made to the Commission in May 2002. At that time we wrote:

> "We urge that you hold the key values of solidarity, community, equity, compassion and efficiency at the centre of your policy deliberations. These values should enable you to see clearly that health care is a public good, not a market good."

Respected voices in the health care community, such as Dr. Nuala Kenny (former Deputy Minister of Health for Nova Scotia, and current Professor and Head of the Department of Bioethics, Faculty of Medicine, University of Dalhousie), warn that what is at risk in the move to further for-profit and privatization initiatives is that the current "just and equitable" delivery of health care in Canada could be replaced by a privatized system that will be "unjust and inequitable".

What Compels Our Vision for Equitable Access to Health Care?

At the heart of the values we hold as an ecumenical community are the biblical teachings of our faith which call us to promote the health and healing of all people. Our quest for a just sharing of the gifts of healthy living and health care is rooted in both the Hebrew and Christian scriptures. Jeremiah voiced particular concern for the "rights of the needy" (5:28), and Christ embodied God that all might "have life and have it abundantly" (John 10:10).

"How does God's love abide in anyone who has the world's goods and sees a brother or sister in need and yet refuses help?" – 1 John 3:17

September 2004 Health Care Agreement

The First Ministers' Agreement reached in September 2004 failed to address the issue of two-tier access to health care prohibited under the *Canada Health Act*, yet currently being provided by a proliferation of private, for-profit clinics in provinces such as British Columbia, Alberta, and Quebec. As guardian of Medicare, the federal government has an important role to play in ensuring the values that are enshrined in the *Canada Health Act*. We call on the Federal Minister of Health to monitor and enforce the five principles of the Act to ensure that all Canadians, regardless of their ability to pay, have equal and timely access to health care services.

The Evidence Our Governments are Withholding

There is a significant body of well-documented evidence from the experiences of public-private partnerships (P3's) in both Canada and other countries that illustrates their frequent failure to deliver on promises of cost savings and improved effectiveness in the construction and management of facilities for the delivery of public services. Canadian P3 examples include schools in Nova Scotia, the Brampton and Royal Ottawa Hospitals in Ontario, the Moncton to Fredericton toll highway, the 407 toll highway in Ontario, the proposed P3 hospitals in Alberta, and the proposed P3 super-hospitals and prison building projects in Quebec.

The rush to embrace P3's owes more to political ideology than common sense. Among the factors which need to be considered are:

- governments can borrow the monies required for construction at lower rates than the private sector;
- unlike private companies, governments and not-for-profit institutions do not have to factor shareholder profits into their costs;
- in order to meet the challenges of cutting costs and maximizing profits for shareholders, P3'S have frequently made use of cheaper inappropriate land sites, compromised design and construction standards, revised initial signed contracts to pass cost overruns on to governments and taxpayers, reduced the level of services provided, and denied access to users unable to pay "user fees".

International Trade Agreement Considerations

The further expansion of for-profit health care delivery and P3's construction expose Canada to future legal challenges under the North American Free Trade Agreement (NAFTA) which would make it difficult to undo public-private partnership deals when we discover that they actually boost costs and lead to greater inequities.

This Fact Sheet is one in a set produced by the Ecumenical Health Care Network (EHCN). The Network is a project of the Commission for Justice and Peace of the Canadian Council of Churches and includes representatives from the Anglican Church of Canada, the Canadian Conference of Catholic Bishops, the Catholic Health Association of Canada, the Evangelical Lutheran Church in Canada, The Presbyterian Church in Canada, the Salvation Army, and the United Church of Canada.

For more information on Ecumenical Health Care Network, contact:
The Ecumenical Health Care Network
The Canadian Council of Churches
Tel. 416-972-9494
www.ccc-cee.org
E:mail: noteboom@ccc-cce.ca

March 2005