

NOTES FOR REMARKS BY
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CHECK AGAINST DELIVERY

Thank you for the opportunity to speak with you today.

I am honoured to be invited to join the ranks of so many outstanding speakers in the past who have spoken to the Canadian Club. Having read this truly extraordinary list of Presidents, Prime Ministers, Foreign Ministers, business leaders, academics and authors, I must confess to being a little awed to find myself among such distinguished company.

I am, perhaps, one of the youngest persons to ever address the Canadian Club. Now, that doesn't necessarily mean that I think everyone else who spoke before me was old. But it does remind me of the old saying that if the first forty years of life supply the text, then the next thirty supply the commentary. So, I hope to be invited back fifteen or twenty years from now to offer some commentary on the text I am about to deliver today!

No doubt, however, I won't have to wait that long. If I know the media, they will provide us with their commentary in the next fifteen or twenty minutes!

Ladies and gentlemen, seven months ago, Ontarians voted for change. Change from the status quo of rising deficits and falling hope. Change from the sterile debate of false choices and old solutions.

Not change for the sake of change. But change to a new direction. A new direction based on realism about what we face together and optimism about what we can become.

Today, I can say, Ontario is well on the road to change.

As the saying goes, we now have the tools and we're getting on with the job.

Today I want to talk a bit about what that job entails, how those tools are going to work, and what we are setting out to build together - our new vision of health care in Ontario.

But, first, we must begin with why we are here.

It can be summed up in two words: debt and deficit - the Siamese twins of government irresponsibility and political irredeemability.

When the government of Mike Harris came to office, we inherited a financial mess of staggering proportions. A deficit of \$10 billion and a debt of \$100 billion. Our government wasn't just borrowing. We had gone from borrowing to begging to borrow, so we could spend and borrow some more!

It was government by credit card. Debt by stealth. Silently, relentlessly, the debt of our province has grown, enlarged, and expanded until today, when it has reach the point where the risks of not doing anything - of ignoring it - are far greater than what we must do to fix it.

Those governments and those politicians that nourished that debt through reckless overspending and failures of will, have put this province on a debt treadmill. A treadmill to nowhere, leading to a dead-end that is dead wrong.

Well, the credit card limit's been reached and the card's been recalled. It's time to start living within our means. It's time your government acted like each of you and managed our collective household budget the way you have to manage yours. To make ends meet.

Government is no different. But for too many years, it thought it was. The result?

In the past ten years alone, government spending has doubled and the accumulated debt has almost tripled. Just think back for a minute.

In 1975, the government of Ontario spent \$9 billion on all of its programs. This fiscal year, we will spend that same amount - \$9 billion - on interest charges alone. That's more than our total hospital budget. More than we spend on all of our education programs.

What is the root cause of this debt problem? Government overspending and a compounding deficit.

Let me give you an example. Your government spends \$1 million more an hour than it receives in revenues -- every hour of every week, every week of every month. Think of it. In the hour or so you have spent listening to me and eating your lunch, your government went another million bucks in the red.

I guess the price of your ticket wasn't such a bad deal after all!

Well, Ontarians voted for a better deal and we intend to deliver it.

I think we should all understand, however, that at the end of the day this is not about winning an accounting award. It is about people and their future.

The more we tax and spend to pay off our lenders, the less we have to invest in new programs that make us healthier, that educate our children, that put money in the pockets of hard-working taxpayers who deserve a break for having paid the freight.

Our government believes in reward for risk. We know that people will invest in jobs and growth if they see a return. And we know that people will invest in Ontario's future because they see that under the Harris government, Ontario is today open for business.

But, this isn't just about business. As I said, it's about people. Consumers will not spend if they lack confidence in their government. And they cannot spend if government taxes too much of it away.

That's why we had to move quickly to get government spending under control. Because we really had only two choices: control the debt or let it control us. Every year we waited and waffled, would be another year of opportunity lost and hope postponed.

That's not what Ontarians elected us to do. And that's not what we are doing.

What we are doing is bringing about a fundamental change to the role of government. Nowhere is that more evident, I believe, than in health care.

Our health care system has evolved massively over the past few decades. Where once we relied on large central hospital institutions to treat every ill, we now have a mix of home, community and hospital care.

Where decisions on programs and services were once taken exclusively by central authorities, there are now regional and local councils, acting as the eyes, ears and conscience of their local communities, who help government plan and deliver these services.

Where government paid for everything through open-ended payment mechanisms, we now work with global budgets and sealed envelopes.

Unfortunately, the debate about the future of the health care system has not kept up with the changes undergone by that system. Behind the rhetoric, between the myths, lies one inescapable truth -- the only way to fix our health system is to restructure it. For ten years our governments have tinkered, making ad hoc changes at the margins without addressing the core problems.

Just look at our hospital network. We have an excellent hospital system in Ontario. But it is one that can, and must be improved upon.

In the last five years alone, 6,700 hospital bed were closed in Ontario - the equivalent of 33 mid-sized hospitals. But not one hospital ever closed.

The result? Hospitals were not able to achieve the savings in administration and overhead that would allow them to put more resources into direct patient care. Patient programs and hospital services remain uncoordinated with expensive overlap and duplication between hospitals. And Ontario taxpayers continue to pay more on a proportional basis for the bricks and mortar that make up the buildings, than what they receive in actual patient care inside the buildings.

The previous government launched restructuring studies in over thirty communities with no blueprint for what to do with them when they were finished. This wasn't about having a 'plan B'. There wasn't even a 'plan A'!

Just listen to a prominent Ottawa-area hospital CEO, who made a powerful statement last month in favour of urgent change. He said, "I think this has to be a number one priority for the next four years, not only to plan it but to get it done, and I'm willing to pay whatever price is necessary to see it achieved."

Hospitals in Ontario have been living with change and the need for restructuring for some time now. As a government, we recognize that. But they have never been given the management tools and flexibility to carry out the task. Well, we are listening to those health care providers on the front lines and giving them the tools to restructure hospitals through the Health Services Restructuring Commission and bring about better, more effective and appropriate patient care.

We face a similar situation with doctors in our province. We have enough physicians, we just don't have them in the right places. We spend nearly double on physician services from ten years ago.

The number of physicians has grown proportionally faster over the past decade than the population of Ontario. Yet, nearly seventy communities - forty percent more than in 1990 - places like Marathon, Geraldton and Alliston, do not have enough doctors to treat the people who live there. Those communities are entitled to the same health services as you and me, yet can't get them.

And the problem is getting worse. Out of every eight medical graduates this year, only one will choose to practice in one of these under serviced communities.

Clearly, only fundamental changes will make our health system better. We need to cure it of inefficiency, immunize it against those who scream the longest and the loudest, and treat it for overlap and duplication.

The real issue before us is one of goals. What kind of health care system do we want to build together for the people of Ontario? That's the only question that really matters.

Let me answer that question.

Our health care vision consists of two main pillars: patient-focus and accountability. The former is our goal; the latter is how we ensure we reach that goal. Bringing the two together is at the heart of our health care restructuring changes; everything from restructuring hospitals, to reinvesting in priority patient care areas, to encouraging physicians to practise where they are needed, to an expedited Medical Review Committee, to eliminating proposed Multi-Service Agencies in favour of Community Care Access Centres.

The result will be a health care system directed at focussing on patient needs but which is accountable to the taxpayers who fund it. A health care system maintained within our commitment to a \$17.4 billion health care envelope.

We have today a 'patient gap' in our system. A gap between what the patient needs and what the system can provide. We intend to close that gap with a truly patient-focussed health care approach. An approach called optimal patient care - the right care at the right time.

Optimal patient care rests on three key principles. First, you match the dollars to the patients. You provide programs that deliver services directly to the patient in the setting that best serves their health needs.

Second, when you save dollars, you reinvest them in the patient. That's why we have already reinvested in more cardiac surgeries, province-wide community-based dialysis clinics, more funding for 24-hour emergency room physician coverage in small rural and Northern Ontario hospitals. That's why we are repatriating Acquired Brain Injury patients from the U.S. into Ontario-based facilities.

Third, optimal patient care allows for unfettered access to the health care system -- a system in which patients are able to see a physician when they need to and can develop an ongoing relationship of trust and dialogue with their doctor. That's why we are undertaking primary care reform.

In short, we want to make the system work for the patient, not the other way around. The litmus test for our success should not be if all the health interests are satisfied, but if the patient is better. Improved health outcomes through a more accountable health care system.

How will we do that? Through sound management. Through integrated management.

We, in government, will do that by establishing business criteria within our own operations and decision-making. All ministries have prepared detailed business plans and they're rigorously reviewing spending. We're introducing business-case criteria, performance measurements and improved accountability.

We will also make the system work for the patient, generating more appropriate and effective care, by using the tools available to us to carry out some very basic tasks that go to the heart of what we must do to make our health system work better. This includes:

- A Health Services Restructuring Commission to facilitate hospital restructuring
- A more equitable distribution of doctors to ensure fairer access to health care by all Ontarians
- An expedited medical review process to clamp down on improper OHIP billing
- A more financially sustainable drug benefit program that links payments for drugs to medical conditions and clinical criteria
- More efforts in reducing mortality and morbidity by investing in pre-hospital advanced life support, symptom relief and automatic defibrillation programs
- More effort at early detection and intervention through increased breast cancer treatment
- More effort at disease prevention through large-scale immunization programs for children

Yes, these are significant changes from past practice. And some have raised questions about whether this is the right way to go.

But what is our answer to a mother who has to wait with her child to see a doctor because there simply aren't enough where she lives? What is our response to a senior with a debilitating condition who must pay personally for a new drug because the ODB cannot afford to list it? What is our solution to our own friends and neighbours who have to shuttle from one doctor to another, from one hospital to another, having tests and waiting for the results, and then chasing those results to another doctor because they weren't ready when the patient was?

That's why we need a patient-focused health care system. To provide those answers.

But we need an accountable health care system to make it a reality. Some of you will recall the recent story about the physician who made a claim for about \$2,000 for a heart-lung transplant allegedly performed during a housecall. This illustrates, quite frankly, how easily our health care system could be defrauded. Until recently, the Ministry paid provider's claims (we get 11 million of them each month!), did audits, and sent questionable billings to the Medical Review Committee. But it could take up to two years to get cases to the committee -- and then up to two years to collect! We simply haven't had the checks and balances we need to monitor and control payments. In short, we haven't had the built-in accountability.

These situations aren't make believe. These are situations that are happening in Ontario today. They are the kinds of problems we have to fix, not by simply throwing more money after them -- after all, that didn't work before -- but by getting to the root cause of the problem and fixing it.

Today we are in a much better position to address this. And if we're going to manage our system better, if we're to spend more effectively, this is something we simply have to do.

The Ministry of Health is taking on a new role as we restructure our health care system. We will no longer be the passive payer, providing funds to whatever problem seemed the worst. Instead, we will become strategic managers focussing on creating a seamless health care system where the patient doesn't fall through the cracks, and an integrated system where the individual gets the right care that will most improve or sustain their health.

We will set overall directions and provide standards for care and service. We will continue to provide funding - maintained at \$17.4 billion - but we will ensure that money is spent on a planned system-wide basis. We will foster effective, efficient, and appropriate care at all times.

How will this new system look?

It will be integrated through single points of access as in our recent announcement to create 43 Community Care Access Centres to replace the 100 expensive and bureaucratic MSAs proposed by the previous government. These new centres will streamline existing Home Care and Placement Coordination programs. Consumers will now have a clear and identifiable access point into the long-term care system. That means less red tape and duplication with more health care dollars dedicated to front-line services.

Someone once said that if you can't measure it, you can't manage it. Well, we intend to do both. Dr. David Huggins, from the OMA, stated recently that "there is no accountability for the red and white health card". Well, he's right. And we have to change that.

Our new system will link funding with accountability. - everything from physician fees to hospital budgets. Those health service providers who receive taxpayers' money will be held accountable for how it is spent. There will be targets and benchmarks emphasizing improved patient outcomes. Waste and duplication will be squeezed from the system leading to more cost-effectiveness.

It will be a "smart" system, linked through an electronic health information network. This system is the key tool to establish a more patient-focused, accountable health care system. But we need to integrate and focus the information systems we already have. There are some 200 government programs collecting information into 1200 databases. But this information is neither consistent across health care programs, nor accurately maintained. We have paper records in an increasingly paperless world. As a result, we cannot tell where we must match our scarce health care resources to the most important patient needs.

This is not as complicated as it sounds. After all, if a credit card can track your purchases, why can't a "smart" health information card do the same?

Our new system will be a dynamic system, open and innovative to partnerships, change, and reform. We will work with the private sector to instill competitiveness in an appropriate manner that will lead to better and more wide-ranging services at reduced costs.

It will be a more efficient and cost-effective system as we use our purchasing power as the primary buyer of health services to reduce duplication and overlap and cut out waste on behalf of taxpayers.

Finally, it will be a health care system founded on quality. Through an emphasis on quality, we can extend our definition of optimal patient care from the right care at the right time, to the right care at the right time, the first time.

Getting it right the first time means putting the patient first. Patient-focussed health care through an accountable health care system.

At the end of the day, we are creating a health care system in Ontario that is based on leadership. Leadership from the government in bringing about needed and long overdue hospital restructuring. Leadership from those same hospitals in finding better, more cost-effective ways to treat their patients. Leadership from physicians in helping us to bring costs down and provide a more equitable distribution of services around the province. Leadership from front-line health care providers and volunteers in ensuring optimal patient care every day.

We have taken some difficult decisions already. More lie ahead. But we are on our way to creating no less than the best health care system the world. I firmly believe that.

So, it's time to close the false debate about means and get on with achieving this goal.

Ontarians, like many Canadians, are anxious about the future of health care. As the federal government reduces funding transfers to provinces, including Ontario, that anxiety can only grow. Over the next 2 years, Ontario will lose some \$2.2 billion in transfers from Ottawa.

We have made a commitment to maintaining a system-wide level of funding of \$17.4 billion to health care because we know what the opposite will do.

But our health care system doesn't need more money. It needs smarter money. Canada spends more of its national wealth on health care today than any other country in the world except for the United States. But spending money is no guarantee of better health services or health care. Few of us in this room, I suspect, would want to exchange our health care system for that of the U.S.

Ontario today actually spends more on health care services on a per capita basis than the national average. We spend almost twenty percent more on physician services than the national average. Yet, we don't have the kind of health care system we either want or need.

In short, we have to change what we spend our money on and reinvest it more effectively and more directly on behalf of patients. That means finding savings through cost-efficiencies and reinvesting those savings to direct patient care.

Let me give you one example. Our province lags far behind other jurisdictions in providing MRI, or magnetic resonance imaging, technology. Yet, this non-invasive diagnostic tool provides far earlier and better disease detection capabilities for stroke and brain injury patients. Now, with only twelve units across the province, patients have to wait weeks for a test or come in during the middle of the night when there is an opening. This is an example of where we must shift our priorities and reinvest in better patient care that improves health outcomes.

There are other examples. Our dialysis rates are lower than the U.S. and Japanese rates. That's why we have already reinvested savings into improved availability of dialysis treatment.

I understand that in the short-run, some people will be concerned about the changes they are seeing. They want to know that the health care system will be there for them when they need it. That is our number one objective. It is the basis of our vision for a new health care system in Ontario.

A vision that shifts resources more and more to community-based services and away from expensive institutions. A vision that reforms primary care so physicians and other health care practitioners can act as gatekeepers and traffic directors to ensure optimal patient care. A vision that allows us to reinvest in priority areas where we can immunize 95% of all school-entry children and eliminate measles in Ontario by 1997.

A vision that expands treatment programs in cancer care, dialysis, cardiac care, mental health, public health and community health services. A vision that emphasizes prevention, early detection and intervention and allows us to reinvest our resources based on this vision in breast cancer screening programs.

A vision that entails fewer, but restructured hospitals delivering more accessible and effective patient care. A vision that uses information technology and health information to link our health care system into a seamless web that allows for better health outcomes and more accountable health care decision-making.

Patient-focussed care and accountable health system delivery - the twin pillars of our new health care vision in Ontario.

We can achieve this vision. I have every confidence.

We will need the help of all of our health care partners. And we will need the forbearance of all Ontarians. Change takes time. But it's worth it.

Now, I know our approach is not without risks. Someone once said that in politics, the shortest distance to disaster is a straight line! Sir Humphrey on "Yes, Minister" would probably refer to some of our decisions as "courageous", which is enough to make any politician sit up and think twice! And as a Tory, when you receive 3 Toronto Star editorial endorsements of your policies, you really start to think twice.

Perhaps. But as I said at the outset, the risks of not acting now, far outweigh the costs of not doing anything. In more prosaic terms, "We applied for the job. We got it. And now we're doing it."

Thank you for your attention.

