Dear Premiers,

During your annual meeting this week it is clear that the future of our health care system will be the number one item on your agenda. While it is understandable that you will reiterate your call for increases in CHST transfers, you are also fully aware that the federal government will point to the September 2000 health accord it signed with all provinces with respect to a pre-determined schedule for increasing CHST transfers.

Moreover, the federal Minister of Health will also urge that you allow the consultations of the Romanow commission - slated for this spring - and the consequent final report due out next fall, to transpire. Considering this set of circumstances it would appear that the federal government is holding many of the health care cards. However, your meeting this week affords the provinces the opportunity to speak with one voice and provide critical and needed leadership three key areas:

1) Clarifying the health care issue;
2) Framing the Canada Health Act debate; and
3) Advocating for structural reform and financing changes.

While several provincial reports have attempted to point to the real problems (sustainability, demographics and expectations) in health care, the national debate is still mired in facile and binary distinctions: left vs. right; Canada vs. the U.S.; and/or private vs. public systems.

Please use this week's meeting to once again point out that health care costs are growing faster than the economy and as such, continue to consume 40% or more of operating expenditures. In addition, you must draw attention to the fact that escalation renders today's spending vs. tax cuts debate obsolete.

Canadians must understand that your respective governments (regardless of partisan stripe) will soon be forced to choose between textbooks and MRIs or worse still, between heat bypass operations and cancer tumour resections.
Technological advances, new pharmaceutical treatment modalities and exploding consumer expectations for "right here, right now" treatment combined with an aging population (including doctors, nurses and other allied health professionals) will only serve to exacerbate this cost situation.

However, the challenge here is not to contain or constrain costs as a primary objective. Indeed, the regionalization of health care a decade ago attempted to do this and costs were merely shifted from one group of payers to another or to different domains in our health care system. Rather, provinces must focus on quality and evidence based outcomes in redesigning health care delivery. As the Fyke Report (2000) in Saskatchewan, among others, astutely noted:

"In health care, good quality often costs less than poor quality. Where money is tight, a quality agenda is imperative."

Turning to the Canada Health Act, you should eschew the fraudulent values discussion in which so many status-quo defenders of medicare choose to engage. The Act is a law that sets out the preconditions for federal transfers, nothing more and nothing less. Our values are not reflected in a 12-page statute, they are reflected in the effective and compassionate functioning of our health care system.

As the CTF has noted in its acclaimed health care research and position paper (The Patient, The Condition, The Treatment), forwarded to each provincial Minister of Health last September, the Act's principles are somewhat vague and often in conflict with each other.

Universality must be properly defined and include components of portability, comprehensiveness and public administration as delineated in the present Act. Public administration must be replaced with public governance, a truer reflection of where the health care system is now and where it is going. New principles of quality, sustainability, accountability and choice must also be added.

Finally, you must ensure that 2002 is the year that various provinces finally capitalize on the strengths of federalism as opposed to magnifying its cleavages through continual bickering.

Some provinces may wish to experiment with pre-funding of primary care health expenditures through health care savings allowances of medical savings accounts, which have proven effective in Singapore, Southern China (over 30 million people using them) and are increasingly popular in several U.S. circles.

Other provinces may wish to replicate Ontario's decision to engage a private consortium to build new health care facilities and then leaseback these facilities over an extended period of time. Indeed, infrastructure needs - from diagnostic equipment to long-term care beds to new metropolitan hospitals - will constrict your funding flexibility in health care as much as operational budgets will contribute to ongoing and unprecedented pressure on provincial treasuries.

Health care is a national issue. According to a CTF survey and national opinion polls, it is also seen by a majority of Canadians as an issue of shared jurisdiction. Canadian taxpayers will not tolerate any more finger pointing and blame shifting between their senior levels of government.

An action plan for leadership on the health care file has been offered to you. It is now time to act accordingly in the interests of all Canadians.

Regards …

Walter Robinson, Federal Director
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