

Envisioning the Future of Medicare

Speaking notes for

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1. Introduction

Good morning everyone. Thank you Armine for your kind introduction. My friends, it's truly an honour and a pleasure to join you today. Let me begin by thanking the Dept. of Community Health and Epidemiology here at the University, the Saskatchewan Branch of the Canadian Centre for Policy Alternatives, and the Saskatchewan Health Coalition, for inviting me to spend some time with you.

2. An Historic Date

Today's gathering is especially timely. In a few days, on July 1, we will celebrate the 50th anniversary of the introduction of Medicare in Saskatchewan – the first jurisdiction in North America to adopt a program of universal health care. Milestones, such as the 50th Anniversary of Medicare, allow us to reflect upon hard fought accomplishments of the past and, at the same time, to re-evaluate today's medicare and, in particular, the growing debate about its' future. After all, the lessons of the past are often the guideposts to the future.

The achievement of universal health care took a long, acrimonious, and protracted road. It is no surprise that this Province was at the forefront of Medicare. Saskatchewan's citizens learned many hard lessons during the desperation of the Great Depression and the sacrifices of the Second World War. They learned about generosity, about hardship and fairness, about boom and bust. And, the imperative for co-operative action. Emerging from the tempest of those tumultuous times, they thus sought a new direction in how public services would be organized and – a direction based upon community action and cooperation.

Tommy Douglas and 46 other CCF MLAs were elected by Saskatchewan voters in 1944 with a mandate for major change. And, one of the most important changes Douglas sought was the way in which health care was delivered. As we know, the traditional template was based on the private-for-profit model. Patients paid for the services of medical professionals and hospitals.

Often, those who could not afford health care did not receive it, and even some who could, sometimes deferred treatment, hoping to save their resources. Douglas's philosophy and vision was completely opposite to this history.

Simply stated, health care was not a market commodity, but a universal and basic right that respected the dignity of the individual and promoted the welfare of

the overall community, in the belief that, in the time of our greatest need, all the community rallies to the support of those in need. Money should not be a barrier to the provision of needed health care services.

However, in 1944, the nation was preoccupied with its economic and fiscal recovery and in the preparation of the return of soldiers to the homeland. Saskatchewan was essentially broke. And, believing in the imperative that governments must act in a fiscally responsible way, the burning desire to implement Medicare was delayed. But, not all such initiatives fell into this category.

The Saskatchewan Hospitalization Act of 1946, the first such program of its kind in Canada, was enacted in Saskatchewan – later to be made eventually a national program under the leadership of the Diefenbaker government between 1957 and 1961.

In Saskatchewan, even though finances were a major obstacle, nonetheless, in the “engine rooms” of government, key officials and advisors were meticulously planning to extend universal coverage beyond hospital care to medical care insurance. The economy recovered and the province’s finances benefited, as well from the federal government cost sharing of hospital insurance.

Thus, after winning reelection in 1960, on a platform of implementing publicly-funded medical care coverage, Douglas introduced the Saskatchewan Medical Care Insurance Act of 1961.

However, as we know, Tommy assumed the leadership of the then newly formed national New Democratic Party and it was left to the leadership of his successor, Premier Woodrow Lloyd, to steer the very difficult passage of this bill. To this day, Lloyd remains an “unsung” hero of Medicare.

Like most great historical achievements, Medicare was not won without a major struggle. Hugely controversial and contentious, it divided the Province. A bitter and divisive 23-day doctor’s strike paralyzed the Province. Claiming that the Medical Care Insurance Act would destroy the so-called “sacred” relationship between doctors and patients, all but a handful of Saskatchewan’s doctors withdrew their services, maintaining only emergency care at certain hospitals. They were strongly supported by the business community, the “Keep our Doctors” groups that sprang up in numerous communities and the entire media, both in the Province and outside.

Fortunately, the goal of Medicare was still supported by a majority of Canadians, inside and outside Saskatchewan, and this gave strength to Lloyd and his government in its darkest hour.

In response to all of this, the Lloyd government began to recruit doctors from the United Kingdom to provide services to the public and were working out the regulatory means to bring in sympathetic doctors from the United States as well.

As the strike wore on, Woodrow Lloyd asked for help from Lord Taylor, a key architect of the UK's National Health Service. Taylor soon began to act as a mediator between the government and the doctors. Eventually a difficult compromise was struck that ended the dispute, but one that would pave the way for Medicare's implementation throughout all of Canada. Here, Emmett Hall's leadership, followed by Tommy Douglas's constant efforts to keep Medicare before the people and Parliament, and finally Lester Pearson's decision to implement national Medicare, resulted in a universal medical care program.

I recite this brief overview because we are meeting on the eve of Medicare's 50th Anniversary and to remember the courageous leadership of those who preceded us. And, to emphasize that Medicare reflects a fundamental value of Canadians.

We value compassion and active support for those of whom fate has dealt a difficult hand, through illness or through accident. As Canadians, we believe there are some fundamental issues which can be best overcome by the positive actions of community.

As briefly described, that was the first battle for Medicare. There have been many skirmishes since, and, regrettably, there may yet be another major contest to come.

As we look at the state of the contemporary debate in Canada, it's clear that those same two visions –fundamentally competing visions – seek to shape the next stage of health care.

One view, based on the premise that health care is a commodity, believes that markets should determine who gets care, when and how. The other vision – and if you have any doubt by now, one that I adhere to – believes that health care is a “public good”, grounded on the Canadian values of fairness, equity, compassion and

collective action. As I said in my final report as Commissioner on the Future of Health Care in Canada, Canadians view Medicare as a moral enterprise - not a business venture. It is a right of citizenship - not a privilege of status or wealth.

3. Canada's Shared Destiny

So, keeping the foregoing in mind, this morning, I wish to focus on the current environment surrounding Canada's health-care debate.

To place it in its full context - I would also like to put Canada's values on the table. Because, as I see it, the choice Canadians make about Medicare is fundamentally intertwined with our nation's values and its future.

Every day, Canada faces new challenges that ask key questions about what kind of people we are and what kind of future we wish to shape. Today, we are discussing the delivery of health care. But we could, just as easily, be discussing the integrity of our environment, or our domestic choices with respect to other social and economic policies.

In confronting these important questions, we should never act as if we are starting from scratch. In fact, the exact opposite is true.

Every nation has a narrative.

Canada's history offers a strong and rich legacy of success that has forged our country. It is this legacy of a "shared destiny" that is key to understanding our young but dynamic history. And, it is this same legacy of "shared destiny" that, I would argue, remains the roadmap to our future, at home, and abroad.

As I suggested in my opening remarks, for those like me, who came of age in our Prairie communities, or know our history, the notion of "shared destiny" was key to our existence. Here, the harsh, often snow-blown conditions, droughts, distance and isolation, and small population, forced us together, like poplar trees huddled on a windswept prairie plain.

And so it is with other regions in Canada, where geography and demographics may vary, but where we all learned to see survival and progress as a test of our ongoing ability to organize collectively and to remain united around shared values.

Through the years, as we lived together, worked together, and built together, this notion of “shared destiny” was transformed into the foundation of a nation.

Generation after generation of Canadians have seized on the cornerstone idea that our future and our society is frequently best shaped through community action. That the sum of Canada is often greater than its remarkably diverse parts. This, then, is our nation’s narrative and it resides in our collective DNA.

4. Some Recent Challenges

But, as I have said, in recent years, the soil has been tilled for the sprouting of views at odds with this narrative. Today, there is a palpable momentum toward individualism, decentralization, and privatization. Medicare’s future is also now caught up in this so-called “new thinking”. And just like with today’s many other issues, how we choose to inform our way forward, and the set of values that we draw upon to shape our progress, will ultimately become an expression of who we are as a nation.

That is why the debate over Medicare is not just about effectiveness and efficiency – as important as those are. It is not simply about the irrefutable evidence showing that our single-payer, public system delivers excellent outcomes - which it does. The Medicare debate is not even just about basic Canadian values like equity and fairness for all citizens.

Yes, it is about all these things. But it is also about much more.

For, Medicare holds such a central role in our national narrative, that how we reform our social programs may determine the future progress of our nation – or whether, in fact, we do make progress.

5. The Road to Progress

So, keeping this in mind, what is the road to progress on Medicare? What kind of future should we envision?

The good news is that there are solutions at hand, ready to be seized by our policy makers, just as soon as they gather the political will to act. Shortly, you will hear informed comment and discussions about those solutions from those who are present today and participating in this important event.

However, allow me simply to outline five enduring lessons that I believe remain central to the future well-being of Canada's health care programs.

1. The universal single-payer advantage

My first point is that a universal, single-payer, public insurance model is both less costly and produces better population health outcomes than multi-payer systems - like they have in the U.S. This has been proven time and time again - by study after study.

Let me illustrate using the example of pharmaceuticals, which for most Canadians are outside of the public insurance system. Since 1990, the cost of prescription drugs, as a percentage of total health expenditures, has increased from 8% to about 15%. Canada's private spending on prescription drugs now outpaces that of most other OECD countries.

Our task is clear, if not without difficulties. We must lay the groundwork, now, for including catastrophic drug costs, at least, and bringing aspects of homecare, long-term care, and access to advanced diagnostic services - the areas of fastest rising costs - under the umbrella of public funding.

Otherwise, costs will continue to escalate - without restraint and with relentless abandonment of those in need.

2. Keeping the focus on total costs

My second point is that our focus on controlling health care costs should be on total costs. We must avoid shuffling expenditures between the public and private sectors of the health care system.

Until the mid-90s, some provincial governments, including my own, were successful in restraining the growth of public health-care costs. We rationalized our services and improved efficiencies, while trying to preserve access to quality services. Our fiscal position obligated us to do this.

It turned out, however, that we may just have pushed some of these costs out of our own provincial budgets, and onto the personal budgets of the residents. I still contend that the dire fiscal position, which I inherited, forced us to attempt these reforms, some of which may not have fully succeeded.

Because, in the end, the total bill for health care is paid by all citizens, whether through their taxes, their premiums on insurance policies, or out of their own pockets, through direct payment.

And back to my first point—every indicator demonstrates that public health systems delivers better outcomes at a lower costs. Dollar for dollar, you get a bigger bang for the buck through Medicare than you do through private spending.

3. Tackling wait times

Which brings me to my third point: wait times. We must improve timely access to quality services.

While the vast majority of Canadians who have used the system find it highly satisfactory, there continues to be a significant proportion who are waiting an unacceptably long time for care.

Moreover, our policy responses, of 2004 – the so-called “fix for a generation” - concentrating on only five specific areas of care, seem misplaced. We know now that these five policy responses are incomplete and reverberate negatively on other, equally important demands. We need a more comprehensive strategy.

Here are a couple of things we could do. We could invest more in advanced diagnostic services and efficient information systems. We could also increase the supply of skilled health care providers to alleviate unnecessary blockages and provide the impetus for a more integrated approach to health care delivery, which remains one of our biggest impediments to reform. These are but just two much needed improvements.

There is still much to do to make the current system more efficient and sustainable. Other speakers will have much to contribute to this issue.

4. Addressing the determinants of health

Fourth, we have to pay more attention to preventing illness and disease, especially chronic disease, which arguably, is the greatest health challenge of the 21st century.

The Canada Health Act, which sets out the principles of Medicare, states that the primary objective of Canadian health care policy is – quote, “to protect,

promote and restore the physical and mental wellbeing of residents of Canada” – end quote. Yet, we continue in this country to focus on restoring wellbeing, while largely ignoring promoting and protecting it.

There are several important pathways to achieving a healthier nation. Removing the financial barriers to that system was what Tommy Douglas’ called – quote, “the first stage of Medicare” end quote - and we quite rightly celebrate that achievement.

But his full vision included an even more critical “second stage of Medicare,” as he described it. A “second stage” that would tackle the fundamental barriers to good health, including social, economic and environmental determinants. And that is something we have yet to achieve. Over the past several years, I’ve been working with a group of exceptionally dedicated and talented experts on an initiative called the Canadian Index of Wellbeing or CIW. We are housed at the University of Waterloo where we can capitalize on that institute’s globally recognized leadership in a wide variety of fields.

However, we are also very fortunate to be closely associated and benefit from the work done by this great University, of Saskatchewan, and its strong team of researchers, such as Nazeem Muhajarine, and many others. Across Canada, there is a growing community dedicated to this reform.

Our goal is to redefine wellbeing as the presence of the highest possible quality of life in its full breadth of expression; to track and report on where we’re making progress in this country and where we’re falling behind; to identify policy changes that will ensure that Canadians enjoy the best possible wellbeing; and to empower Canadians to advocate for change and hold their leaders accountable to it.

Underlying all of this is a recognition that the wellbeing of a nation is about so much more than its economic production – the oft-quoted GDP numbers that tend to dominate our news.

It’s about whether or not we have jobs, and whether those jobs are meaningful and well-paying or precarious and minimum wage. It’s about whether we live in adequate and safe housing, in supportive communities, or in substandard and unsafe housing in crime-filled neighbourhoods.

It’s about whether we have enough leisure time to engage with our friends

and families in recreational and cultural activities.

It's about whether our environment is clean, green, and sustainable or whether it's polluted and toxic with rapidly vanishing natural resources. It's about whether or not our kids are given quality early learning opportunities and a chance to reach their full potential in a rapidly changing world.

It's about whether we're able to engage in a democratic society and fully participate in determining the directions and decisions that shape our lives, or whether we're marginalized by virtue of being poor, disabled, being an immigrant, a racialized minority, young, female, or any of the other characteristics that in an unequal society can push one to the sidelines.

In short, it's about the kind of world we're creating for ourselves and future generations, and whether we're progressing forward.

This past October, we released the first-ever CIW composite index, tracking 64 wellbeing indicators, in eight categories, over a 15-year period. It showed that in the 15-year period from 1994 to 2008, Canada's GDP grew by a robust 31% while our quality of life only improved by a very modest 11%. There wasn't a single wellbeing category that grew as quickly as GDP, and we actually lost ground in areas such as environmental quality, time use, and leisure and culture activities. What our report highlighted was a number of policy areas where transformative change is urgently required.

This October we'll be releasing our second national composite index as well as provincial data in the new year, and I encourage you to visit our website at www.ciw.ca to check the results.

5. Transformative change

Which brings me to my final lesson, namely, that governments must show the will and leadership to achieve what is truly transformative change. How so? Modernizing and transforming the health-care system involves the evolution of primary care – people's first point of contact with the health-care system. We must tackle the continuing "silos" mentality, which separates general practitioners from other professionals, and a broad range of frontline illness, wellness, and diagnostic health services that are essential to preventing or mitigating downstream acute and institutional care.

Simply stated, we need to break down traditional barriers among health care providers and reform the local delivery of health care through more efficient and effective integration.

One approach would be to adopt a national strategy for expanding Community Health Centres across the country, with new federal dollars targeted specifically for that purpose.

Another, would be to finally implement a national homecare strategy – one that will relieve pressure on our hospitals and allow more Canadians to be treated at home, rather than in expensive hospital beds.

The need for these kinds of initiatives is real, which is why it was such a major setback when the Government of Canada recently announced it will transfer health dollars to the Provinces - without any mention of national standards, or conditions, or requirements for public accountability, barely even mentioning those five critical principles in the Canada Health Act.

This action means one of two things. It is a loss of direction by the federal government – a federal government that can no longer define a role for itself; or it is a purposeful decision to allow some provincial governments with their allies in the private sector to undermine Medicare as we know it.

It looks like Ottawa is determined to pursue its announced path. If it does so, Medicare's renewal will be made less effective. And, perhaps even more importantly, Medicare would cease to be a unifying national force, simply devolving into a patchwork quilt of various and competing provincial programs.

This raises the specter of Medicare transforming into disparate provincial plans, instead of evolving as one of Canada's great humanizing and unifying instruments.

If we choose Ottawa's announced path, we walk down it at great peril, to the country we love and to the values we hold dear.

6. The Road to Progress

My friends, the Honourable Monique Bégin, author of the Canada Health Act, often reminds me that the true guardians of Medicare – are the people of Canada.

Today, an overwhelming majority of Canadians still believe in a vision of Medicare that sees this great program as a “public good” and a right of Canadian citizenship.

Now, more than ever, we need to reaffirm the original vision of a truly comprehensive public health-care system - one that provides a continuum of services and includes a universal program of well-being, home care, long-term care and pharmacare.

Now, more than ever, we need to embrace comprehensive policy solutions that tackle root causes instead of surface symptoms; that bring about systemic changes instead of quick fixes; that promote long-term benefits, instead of short-lived gains.

Now, more than ever, is the time to recapture the moral and political strength to see ourselves in our own place, in our own time, informed by our own values, and within our own actual narrative, as an independent nation, worthy of the respect of a world that needs an even better Canada.

In doing so, we shall once again put our nation’s policies on track and resume the task of building an even greater Canada.

Let us remember the sacrifices and contributions of Douglas, Lloyd, Pearson, Diefenbaker, Hall, Bégín, and other. And, let us dare to make sure it continues – for ourselves and for future generations that are depending on us.

Good luck in your deliberations and thank you very much.