



COMMUNIQUE

Premiers' Action Plan for Better Health Care: Resolving Issues in the Spirit of True Federalism

NIAGARA-ON-THE-LAKE, July 30, 2004 – The number one priority of Canadians is ensuring that high quality health care services are accessible in a timely way. Premiers are leading significant reform efforts aimed at achieving better health care services and outcomes for their residents. Premiers remain fully committed to publicly funded and accessible medicare and to its five principles: Universality, Accessibility, Portability, Comprehensiveness, and Public Administration.

Today, as leaders of Canada's health care systems, Premiers advanced their Action Plan for improving health care for Canadians. This will be the basis for their discussions with the Prime Minister at the upcoming First Ministers' Meeting.

Premiers welcome the opportunity to work with the Prime Minister to reach a long-term agreement for sustaining and renewing publicly funded health care for Canadians now and in the future. Premiers propose a new partnership in which all parties work together respecting each government's jurisdiction to ensure not only adequate funding, but also the capacity to adapt and evolve to meet the changing needs of Canadians in all parts of the country. Ongoing success is built on the collaborative action of provinces and territories to share strategies, ideas and information.

A National Pharmacare Program

Premiers agreed there should be a significant shift in the delivery of pharmacare programs and are calling on the federal government to assume full responsibility for these programs across the country. This will represent the first major innovation to health care in a generation.

A key component of excellent health care is a robust public drug plan. No Canadian should suffer undue financial hardship in accessing necessary drug treatment. The federal government has made a formal commitment to this priority. In 2004, the Prime Minister promised that "The objective of a Liberal government will be to agree with provinces and territories on a national pharmaceutical strategy". He also committed to "design the right nationwide

approach to provide all Canadians with a basic level of coverage.” At this time, however, there is no national pharmacare program in Canada.

The federal government already plays a significant role in the management of pharmaceutical drugs in Canada -- it is responsible for the approval of drugs for use in Canada and for deciding which drugs are available by prescription and which over-the-counter. It is responsible for the Patents Act and for the drug plans for Aboriginal peoples, the military, and the RCMP.

Premiers agreed that a national pharmaceutical program should immediately be established. The federal government should assume full financial responsibility for a comprehensive drug plan for all Canadians, and be accountable for the outcomes. This would be a meaningful improvement in services for all Canadians in a very important area of health care delivery. The federal plan must meet the growing needs of Canadians.

A truly national plan will ensure that all Canadians have access to the drugs they need when they need them, including a national vaccination program. It will reduce admissions to hospitals, help reduce wait times, prevent illness, allow individuals with mental illness to lead more productive lives, allow patients with chronic disease to regain a sense of health and independence, and improve end of life care through a robust palliative drug plan.

It is understood that Québec will maintain its own program and will receive a comparable compensation for the program put in place by the federal government.

Improving the Delivery of Health Care in the Territories and Labrador

Premiers also agree that the challenges and special circumstances of remote health care delivery in the Territories and Labrador must be part of any long-term health care agreement with the federal government. In keeping with the principles of universality and accessibility, the health agreement must include dedicated funds to reimburse 100 percent of all medical travel costs in respect of the residents of the three territories and Labrador.

Aboriginal Health Care

While in Niagara-on-the-Lake, Premiers met with Aboriginal leaders to hear from them what needs to be done to address the particular health care needs of Aboriginal peoples. Premiers are supportive of Aboriginal leaders being part of the solutions, including participation at a special meeting with First Ministers in September to discuss Aboriginal health care. Premiers acknowledge that a

holistic, culturally appropriate approach to improving the health and wellness of Aboriginal peoples is needed.

The health status of Aboriginal peoples represents a significant challenge for all governments. Since it is a federal responsibility, the federal government must provide adequate funding and work with Aboriginal communities to apply dedicated attention to addressing the unique health care challenges, including health determinants, facing Aboriginal peoples.

Funding Health Care Services

Over the next five years, it is estimated that provinces and territories will collectively invest more than \$450 billion in health care.

Premiers agree that the federal government has an obligation to increase its base cash funding under the Canada Health Transfer to 25 percent of total health care spending by provinces and territories through an immediate infusion in 2004-05. The federal government should maintain its cash transfer at least at the 25 percent level.

Premiers note that any new initiatives agreed to at the upcoming FMM will require additional ongoing federal dollars to cover the costs associated with these initiatives.

Funding for health care must not come at the expense of funding for other social programs and Equalization. Addressing the current fiscal imbalance and strengthening Equalization in the near term are important components of funding health and social programs.

Premiers expressed disappointment that so little progress was made in the last round of equalization renewal. Equalization entitlements to recipient provinces have been reduced by \$3.7 billion over the last three years. As an immediate measure, total Equalization Program funding should be restored to the 2000-01 level.

Premiers are in full agreement that the federal government must work in true partnership with provinces and territories to address the disparities that exist among provinces. The opportunity exists now to provide a meaningful strengthening of the equalization program. Possible approaches include a ten-province standard that recognizes the volatility around resource revenues, and other improvements such as full inclusion of miscellaneous revenues and fees. They expressed their concerns over the significance and seriousness of the issues resulting from the failure to strengthen the equalization program.

Premiers also called on the federal government to provide fair and meaningful relief to provinces that face dramatic reductions in their Equalization entitlements. Premiers support reforms that will enhance the stability and predictability of the Equalization Program.

As well, Premiers want inadequacies in the Territorial Formula Financing Arrangement addressed at the same time, including the full restoration of the reductions to the funding base.

As outlined in his June 14, 2004 letter to Premiers, the Prime Minister committed to a second meeting with Premiers this Fall to discuss these and other fiscal issues.

Health Promotion and Wellness

All provinces and territories are engaged in health education and strategies to prevent illness. Premiers are committed to strengthening their investments in these areas, including the development of strategies and policies that recognize the determinants of health, enhance disease prevention, and improve public health. An integrated pan-Canadian Healthy Living Strategy has been approved and is being implemented by participating provinces and territories.

Premiers recognize the importance of health promotion and wellness to the overall sustainability of health care and to improving the quality of life of Canadians. Today, Premiers announced the creation of a Council of the Federation website providing information on health and wellness.

Innovations and Best Practices

Premiers have been steering the health reform agenda at two levels: individually in their own jurisdictions, and collectively where opportunities exist to benefit Canadians. Over the last several years, provinces and territories have invested heavily in many health reforms and improvements. These include training and hiring more health care professionals, and purchasing more diagnostic equipment like MRIs and CT Scans to improve access to health services.

Last year, provinces and territories trained close to 9,000 new nurses, an increase of over 3,500 since 2000. The number of MRIs across the country has doubled during that same time, and the number of primary health care teams has increased four-fold. There are now more than 600 primary health care teams in place in provinces and territories.

New drugs, technologies and treatments, as well as enhanced patient expectations, aging population and improved access to services, are driving

significant change in the delivery of health care services. Provincial and territorial governments are experimenting with new service delivery mechanisms to provide Canadians with timely access to high quality health care services.

The following examples demonstrate best practices and innovations underway across the country:

- **Alberta's** new agreement on primary health care provides for improved use of health care practitioners, resulting in improved access to family physicians.
- **British Columbia's** cancer care network, headed by the BC Cancer Agency, leads the country in survival rates for many cancers. Cancer patients across BC are assured that they will benefit from the latest protocols, drugs, and scientific discoveries from science research laboratories, such as the Michael Smith Genome Sequence Centre.
- **Manitoba's** fully coordinated home care program provides nursing, occupational and other therapies, palliative care drug coverage, and home support services to 21,000 residents every month.
- The extra-mural program in **New Brunswick** is a pioneer in the development of innovative, patient-focused methods for delivering health care outside hospitals. The province continues to innovate, including through the use of telehealth for the provision of remote health monitoring for patients.
- **Newfoundland & Labrador** has launched the development of a new primary health care model that establishes collaborative primary health care teams that will be of particular benefit to rural areas.
- The **Northwest Territories'** Midwifery Protection Act will result in the expansion of birthing services in remote communities; currently birthing services are only available in two communities.
- **Nova Scotia** has established Canada's first ever Office of Health Promotion, with a specific Minister charged with developing and implementing policies and programs that will improve the health outcomes of Nova Scotians through healthier lifestyles, with particular emphasis on physical activity, better eating choices, tobacco use reduction and injury prevention.
- **Nunavut's** work towards repatriation of health services through the construction of regional hospitals, training of Inuit health workers and expansion of telehealth will enable more Nunavummiut to receive culturally sensitive health care closer to home.
- **Ontario** is making influenza vaccine available free to all of its residents. This is part of Ontario's "Operation Health Protection" plan which includes strengthening the role of the province's Chief Medical Officer of Health and major investments to enhance province-wide and local public health capacity, bolster the province's responsiveness to health emergencies and control the spread of infectious diseases.
- **Prince Edward Island** has expanded cancer treatment services through the addition of a Linear Accelerator and expanded diagnostic imaging including the addition of MRI services.

- **Québec**'s comprehensive public drug insurance plan enables every Québec citizen to have fair and reasonable access to the drugs they need, regardless of their financial situation.
- **Saskatchewan**'s "Target Time Frames for Surgery" initiative is an innovative new way of managing surgical access to ensure patients receive care according to their level of need.
- **Yukon**'s telehealth network now serves three additional remote communities enabling physicians to consult with other health care professionals and with patients through interactive video links.

Provinces and territories continue to work together on a number of collaborative innovations. One example is the development of sites of excellence for low volume, high cost medical procedures in order to provide better care for patients while making more efficient use of health care dollars. In 2002, Premiers agreed to share human resources and equipment by developing sites of excellence in various fields, including pediatric cardiac surgery and gamma knife neurosurgery.

The Way Ahead

In recent years, health reform has become imperative for all provinces and territories. Premiers are driving health reform agendas aimed at sustaining health care for future generations. In May 2004, on behalf of the Council of the Federation, Premiers Campbell and McGuinty co-chaired a forum of Ministers of Health and Finance to identify opportunities for and challenges to health care sustainability and reform. Premiers believe that action in priority areas is needed to strengthen our health care systems.

In response to the needs of their citizens, Premiers' immediate priorities include:

- **Reducing waiting times** - for key diagnostic treatments, surgical procedures and community care services
- **Expansion of community-based care, including primary health care, home care and mental health** - improving access to services through an appropriate mix of community based and client-centred services, while decreasing the need for more costly hospital services
- **Medical diagnostic services** - investing in health technologies
- **Health human resources** - ensuring an appropriate supply and distribution of health human resources
- **Pharmaceuticals** - ensuring access to appropriate, safe, high quality and cost effective prescription drugs
- **Healthy living** - focusing on prevention and wellness
- **Information technology** - introducing new information technologies

As health care systems are at different stages of reform, federal funding arrangements must be flexible enough to allow provinces and territories to deliver

the health care services that best meet the evolving needs and priorities of their residents.

Accountability

As agreed by First Ministers in 2000, "The purpose of performance measurement is for all governments to be accountable to their public, not to each other".

On a regular basis, each province and territory will continue to provide its citizens with public reports, using comparable indicators where possible and appropriate. The first reports on nationally-comparable indicators in 14 areas of health status, health outcomes, and quality of care were released by all governments in September 2002. Additional common performance indicators have been developed and the second reports will be released later this year.

Premiers firmly believe that the federal government must be fully transparent in reporting on the services it provides to Aboriginal peoples and its mandated responsibilities in public health.

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For information:

Chris Morley
Office of the Premier of Ontario
(416) 605-8143