

A VIEW FROM THE TOP...

A SURVEY OF ACAHO PRESIDENTS & CHIEF EXECUTIVE OFFICERS



July 2006



Association of Canadian Academic Healthcare Organizations
Association Canadienne des Institutions de Santé Universitaires

WHO WE ARE...

ACAHO is the **national voice** of Teaching Hospitals, Regional Health Authorities and their Research Institutes. The Association represents more than 40 organizations. Members range from single hospitals to multi-site, multi-dimensional regional facilities.

Members of ACAHO are leaders of innovative and transformational organizations who have overall responsibility for the following integrated activities:

- They provide Canadians with timely access to a range of quality specialized and some primary health care services.
- They represent all of the principal teaching sites for Canada's health care professionals. This includes all sixteen faculties of medicine (physicians), and other faculties of health (nursing, pharmacy and dentistry), and many colleges with technical and professionals in health including rehabilitation therapists, laboratory technicians, respiratory therapists, and speech therapists.
- They provide the large majority of infrastructure to support and conduct health research in its dimensions - medical discovery, knowledge creation, innovation and commercialization.

There are no other organizations in the health system that provide the unique combination of health services that our member do. We consider our institutions as vital "hubs" in the system – in addition to being a national resource.

OUR MISSION...

The mission of ACAHO is to provide effective national leadership, advocacy and policy representation in the three separate, but related, areas of:

- The funding, organization, management and delivery of highly specialized tertiary and quaternary, as well as primary health care services.
- The education and training of the next generation of Canada's health care professionals, and
- Providing the necessary infrastructure to support and conduct basic and applied health research, medical discovery and innovation.

For more information on the activities of the Association, please visit our web-site at www.acaho.org.

A VIEW FROM THE TOP...

A SURVEY OF ACAHO PRESIDENTS & CHIEF EXECUTIVE OFFICERS

July 2006

ACKNOWLEDGEMENTS

This report was prepared by Emily C. Gruenwoldt (Senior Advisor, Research and Policy Development, ACAHO) and Glenn G. Brimacombe (Chief Executive Officer, ACAHO). Thank you to all of the ACAHO members who took the time to thoughtfully complete and submit the survey. Special thanks to Owen Adams (Canadian Medical Association) for his review and feedback in the preparation of this report.

A MESSAGE FROM THE PRESIDENT OF ACAHO

Since our arrival in Ottawa in 2002, the Association of Canadian Academic Healthcare Organizations (ACAHO) has reinvented itself from being an inward-looking organization to one that is outward-looking, strategically focused, and working in partnership with others.

Given the roles and responsibilities that our members occupy in the system in terms of focusing on the *convergence* between service provision, teaching & education, and research & innovation, our desire to participate in the national conversation about the future of the health system was long overdue, and necessary. While ACAHO can take pride in a number of contributions it has made to the policy dialogue, there is still much work that needs to be done.

It is in this context, we thought that it would be timely to undertake a survey of ACAHO members – the Presidents' and Chief Executive Officers of Canada's Teaching Hospitals and academic Regional Health Authorities – on a range of relevant national health policy issues that impact on their local responsibilities.

With the release of "*A View from the Top: A Survey of ACAHO Presidents' & Chief Executive Officers*", our intent is not only to provide members with an opportunity to speak with a collective voice, but to stimulate further discussion on the issues that are important to them within a national framework, as well as considering the role of the federal government.

While the survey results clearly identify areas of strong consensus, it is not surprising that there are some areas of divergence given the unique local circumstances that Presidents and CEOs work within. At the same time, the survey also focuses on areas that require further clarity and policy discussion.

In the end, it is our hope that the survey results are viewed as an important contribution to how we can collectively improve the functioning of the health system; making it increasingly flexible, innovative and responsive to meet the changing health care needs of Canadians.

In closing, we welcome your comments on the content of the survey results. In this regard, feel free to contact Ms. Emily Gruenwoldt at (613) 730-5818, extension 324, or via e-mail gruenwoldt@acaho.org. For more information on the activities of the Association, I would invite you to visit our web-site at www.acaho.org.

Sincerely yours,



Ms. Lynda Cranston
President

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	1
CHAPTER ONE: PURPOSE AND CONTEXT.....	5
CHAPTER TWO: SYSTEM PERFORMANCE.....	6
CHAPTER THREE: WAIT TIMES AND ACCESS TO HEALTH CARE.....	10
CHAPTER FOUR: THE FEDERAL ROLE IN HEALTH CARE.....	14
CHAPTER FIVE: CANADA’S HEALTH RESEARCH ENTERPRISE (HEALTH RESEARCH, INNOVATION & COMMERCIALIZATION).....	17
CHAPTER SIX: CANADA’S ACADEMIC HEALTH SCIENCES CENTRES AS A “NATIONAL RESOURCE” IN THE SYSTEM.....	19
CHAPTER SEVEN: THE CANADA HEALTH ACT.....	20
CHAPTER EIGHT: PUBLIC-PRIVATE PARTNERSHIPS.....	21
CHAPTER NINE: HEALTH COUNCIL OF CANADA.....	23
CHAPTER TEN: CONCLUSION.....	24
ENDNOTES.....	25

EXECUTIVE SUMMARY

Over the past five years, the Association of Canadian Academic Healthcare Organizations (ACAHO) has moved a significant way in terms of providing a national voice for Teaching Hospitals, Regional Health Authorities and their Research Institutes that are responsible for the academic mission (i.e., service provision, education & training, and research & innovation). In support of this mandate, the Association has developed and released a number of policy-related documents that focus on the strategic activities of members and the role of the federal government.

To supplement the views, as well as recommendations offered by the Association, it was considered timely to ask members (i.e., its Presidents and CEOs) to comment on a range of health system policy issues at one moment in time.

More specifically, while members of the Association hold very senior positions of trust in their communities and frequently comment publicly as the leader of a Teaching Hospital and/or a Regional Health Authority, this is the first time ACAHO has surveyed its members on a series of contemporary health system issues which are linked to the day-to-day operations of teaching hospitals and regional health authorities across the country.

Sixty seven percent of ACAHO's member Presidents and Chief Executive Officers responded to the survey which focused on the following national health policy issues of direct interest and importance:

1. System Performance
2. Wait Times and Access to Care
3. The Federal Role in Health Care
4. Health Research Innovation and Commercialization
5. Canada's Academic Health Sciences Centres as a National Resource
6. Canada Health Act
7. Public-Private Partnerships (P3s), and the
8. Health Council of Canada

SYSTEM PERFORMANCE

ACAHO members were asked to look beyond the fundamental issues of health funding and delivery to the broader social, economic, and environmental determinants of health. This chapter takes measure of how leaders of teaching hospitals and regional health authorities evaluate the performance of the health system, including organizational factors, cost drivers and escalators, as well as investments in health, health care and other programs.

When ACAHO asked members whether their overall confidence in the health system was rising, falling or about the same when considering the past three to five years, Canada's health system leaders were of divergent views. 31% of respondents report their confidence is rising, compared to 28% whose confidence is falling. 41% commented that overall confidence remains the same as compared to three to five years ago. In terms of health system renewal, increased investments targeted towards the development of an integrated electronic health record emerged as the most important initiative, with 93% of respondents strongly agreeing on the significance of this structural reform, followed by training additional health care professionals (69%) and implementing new models of primary care reform (66%). Over the next year, members deemed access to capital infrastructure (86%) and improving the safety of patient care (82%) as a high priority. Looking to the longer-term (the next 3-5 years) the quality of

patient care services (83%) was considered the most important policy issue for members along with improved patient safety initiatives (79%), and access to capital infrastructure (72%).

WAIT TIMES AND ACCESS TO HEALTH CARE

Since the First Ministers' Meeting in September 2004 when wait times and timely access to care were foremost on the agenda, a number of federal, provincial, regional and local initiatives have been launched in order to effectively reduce the length of time Canadians wait for health services.

ACAHO members were asked whether, as a result of the Accord, they think that access to health services will improve, worsen, or remain the same over the next three to five years. 42% of respondents indicate they think wait times would improve, while 39% expect wait times to remain comparable. 19% of members think wait times will worsen as a result of the 10-Year Plan.

In terms of key policy issues to improve timely access to care, members identify health information technology (69%), primary health care reform (69%) and post discharge services (58%) as their top three priority areas.

Respondents also commented on a range of strategies and their effectiveness when it comes to reducing wait times, and their current activities in this area. 63% of members are engaged in activities to centralize waiting list registries, and implement evidence based benchmarks and targets. 56% are taking steps to address staffing shortages; 53% of those who responded are implementing priority scoring tools. 38% are extending (traditional) hours of operation to increase overall throughput.

THE FEDERAL ROLE IN HEALTH CARE

Notwithstanding the First Ministers Agreement in 2004, there continues to be ongoing discussion regarding the federal government's role in funding and shaping the structure of the health system. This chapter reviews the current federal cash transfers for health to the provinces, the impact of the 10-Year Plan to Strengthen Health Care, and the role of the federal government with respect to leadership in health and health care.

Members of ACAHO are split when asked if they agree that 25% of total provincial health spending is an appropriate target level for federal cash transfer for health (46% agreeing and disagreeing). Of the 8% who felt it should be less than 25%, they were of the view that the federal government should transfer additional tax room to the provinces.

Furthermore, over two thirds (67%) of respondents did not share the view that the "10-Year Plan" would fix health care for a generation.

Importantly, the majority of respondents (42%) feel the federal government has a role to play in terms of shared priority-setting and linking federal investments to specific deliverables. Nearly one-third of respondents (31%) state clearly that health care is the purview of the provinces and territories and therefore the federal government has no role. 23% of ACAHO members report that current federal-provincial arrangements are acceptable, with the federal government maintaining exclusive responsibility for aboriginal health.

Finally, members largely agree (78%) that the federal government must continue to participate and fund the dimensions of the country's health research enterprise, and be fully involved in developing national public health and emergency preparedness strategies (78%).

CANADA'S HEALTH RESEARCH ENTERPRISE

The emergence of an increasingly integrated and global, knowledge-based economy continues to transform the way in which sustainable economic growth strategies are developed and implemented. Ensuring Canada's prosperity and well being *tomorrow* depends on our ability to innovate *today*, bringing Canadian ideas from discovery into the health system and to the marketplace.

Canada's health system leaders were asked to think about the future of health research in Canada and reflect on the role the federal government has in supporting and nurturing health research in Canada. Fully 100% of respondents consider the federal role to be "important" or "very important", and comment on the range of investments that are needed.

ACAHO asked members to consider to which dimensions should be strategic priorities for the Association. In light of the recent stalemate around the Canadian Foundation for Innovation Research Hospital Fund, continued funding for physical infrastructure was a "high priority" for 92% of members who responded to the survey, followed closely by ongoing funding for the indirect costs of research (84%). 69% consider increased funding for the Granting Councils (e.g. Canadian Institutes for Health Research) a high priority item for ACAHO. 25% deem advocating for enhanced support for salaries of health researchers a high priority. In terms of training new researchers, 27% consider this a main concern. 23% of respondents believe that ACAHO should make facilitating the ability of researchers and institutions to commercialize research a high priority. This finding speaks to the view of ACAHO members who believe that focusing on the commercialization of health research requires other fundamental investments such as physical infrastructure, operating grants, and funding for indirect costs.

CANADA'S ACADEMIC HEALTH SCIENCES CENTRES AS A "NATIONAL RESOURCE" IN THE SYSTEM

Although there have been a number of in-depth national, federal, provincial and territorial reviews of the health system in Canada, there has not been a systematic review of the current mission & mandate and future roles and responsibilities of Canada's Academic Health Sciences Centres since the early 1990s, despite the fact that the system has experienced profound change.

Given the mission and mandate of ACAHO members (i.e., service provision, teaching and education, and research and innovation), members of ACAHO were asked whether they believe the federal government adequately supports the "national resource" role that their institution or regional health authority occupies in the health system. 48% agree that the federal government sufficiently supports their role in the health system. 44% either disagree somewhat or disagree strongly with the statement. 8% neither agree nor disagree. In follow up, ACAHO asked members to rank in priority order what support the government could provide in this area. 33% rank ongoing *direct* federal funding to Canada's Academic Health Science Centres first.

THE CANADA HEALTH ACT

The five principles of the *Canada Health Act* are the cornerstone of the Canadian health care system, and reflect the values of our single-payer, publicly-financed health care system. This legislation affirms the federal government's commitment to a universal, accessible, comprehensive, portable and publicly administered health insurance system. ACAHO asked members whether they think the *Canada Health Act*, as written, is still relevant in light of the recent ruling of the Supreme Court of Canada. 78% agree that it is. Nevertheless, 30% of respondents said the *Act* should be expanded to include additional principles including accountability, while 11% believe the *Act* should include home care and/or prescription drugs as "insured services".

PUBLIC PRIVATE PARTNERSHIPS (P3S)

ACAHO asked members for which services they would support public-private partnerships within their institution or regional health authority. 28% responded they would support a P3 arrangement for infrastructure renewal projects. 24% consider support services eligible for partnership with the private sector; 20% for long term care facilities.

With respect to access, 46% of members believe that access to patient services would improve within a P3 arrangement, and an equal proportion (46%) neither agrees nor disagrees that services would become more accessible. Quality and cost-savings as a result of public private partnerships are discussed in this chapter as well.

HEALTH COUNCIL OF CANADA

Created in December 2003, the Health Council of Canada is mandated to monitor and report on the progress of health care renewal in Canada – specifically monitoring the implementation of the 2003 First Ministers Health Accord. This chapter asked members of ACAHO to comment on the extent to which they believed that the Health Council has an important role to play in identifying critical policy areas.

When members of ACAHO were asked to what extent they believe that the Health Council has an important role to play identifying critical policy areas, 56% agree that a significant role does exist for the Council.

This report, the first of its kind to survey senior health leaders, reveals health system strengths and weaknesses, enablers and challenges, not from a theoretical standpoint, but from an applied administrator's (local) point of view. While there is no doubt that members of ACAHO strongly believe that major health system innovations are necessary and overdue, they remain clearly committed to the fundamental principles that underpin Medicare.

The survey also demonstrates that ACAHO members see the federal government playing a strong leadership role when it comes to supporting and nurturing the country's health research enterprise. In particular, continued funding for the different components of the health research enterprise was identified as a top priority. Fully 100% of respondents consider the federal role in supporting and nurturing health research in Canada to be either "important" or "very important".

A VIEW FROM THE TOP...

A SURVEY OF ACAHO'S PRESIDENTS & CHIEF EXECUTIVE OFFICERS

CHAPTER ONE: PURPOSE AND CONTEXT

i. Purpose

Over the past five years, the Association of Canadian Academic Healthcare Organizations (ACAHO) has moved a significant way in terms of providing a national voice for Teaching Hospitals, Regional Health Authorities and their Research Institutes that are responsible for the academic mission (i.e., service provision, education & training, and research & innovation). In support of this mandate, the Association has developed and released a number of policy-related documents that focus on the strategic activities of members and the role of the federal government.ⁱ

To supplement the views as well as recommendations that have been offered to the federal government by the Association, it was thought timely to ask its members (i.e., its Presidents and CEOs) to comment on a range of health system policy issues at one moment in time.

More specifically, while members of the Association hold very senior positions of trust in their communities and frequently comment publicly as the leader of a Teaching Hospital and/or a Regional Health Authority, this is the first time ACAHO has surveyed its members on a series of contemporary health system issues which are linked to the day-to-day operations of teaching hospitals and regional health authorities across the country.

ii. Context

In the Fall of 2005, ACAHO distributed a survey to all members that focused on a series of contemporary health system issues which are linked to the day-to-day operations of teaching hospitals and regional health authorities across the country. Sixty-seven percent of ACAHO's member Presidents and Chief Executive Officers responded to the survey which focused on the following national health policy issues of direct interest and importance:ⁱⁱ

1. System Performance
2. Wait Times and Access to Care
3. The Federal Role in Health Care
4. Health Research Innovation and Commercialization
5. Canada's Academic Health Sciences Centres as a National Resource
6. Canada Health Act
7. Public-Private Partnerships (P3s), and the
8. Health Council of Canada

From system performance, financing and wait times to health research, innovation and commercialization, the leaders of Canada's largest teaching hospitals and regional health authorities responded, providing a unique perspective on a range of issues and challenges they face.

Over the past five years, the Association of Canadian Academic Healthcare Organizations has moved a significant way in terms of providing a national voice for Teaching Hospitals, Regional Health Authorities and their Research Institutes that are responsible for the academic mission.

From system performance, financing and wait times to health research, innovation and commercialization, the leaders of Canada's largest teaching hospitals and regional health authorities provided a unique perspective on a range of issues and challenges.

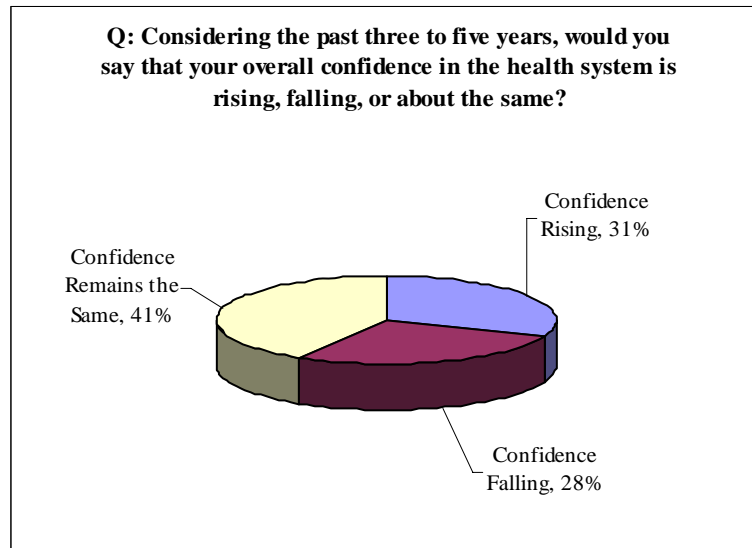
CHAPTER TWO: SYSTEM PERFORMANCE

In order to evaluate health system performance, one must look beyond the fundamental issues of health funding and delivery to the broader social, economic, and environmental determinants of health. Health system performance embodies organizational factors, accounts for cost drivers and escalators, and examines the balance of investments in health, health care and other social programs. This chapter takes measure of how members of ACAHO evaluate the performance of the health system.

When asked whether their overall confidence in the health system was rising, falling or about the same when considering the past three to five years, Canada's health system leaders were of differing views. 31% of respondents report their confidence is rising compared to 28% whose confidence is falling. 41% of respondents comment that their overall confidence is about the same now compared to three to five years ago. (See Figure 1)

When asked whether their overall confidence in the health system was rising, falling or about the same when considering the past three to five years, Canada's health system leaders were of divergent views.

Figure 1: ACAHO Members' Overall Confidence in the Health System



48% of respondents agreed with the statement: "Managing my institution/region has improved over the past five years". 24% of respondents believe that their ability to manage remains the same compared to five years ago, while 28% believe it has worsened somewhat or worsened significantly. (See Figure 2)

When asked what approach Canada ought to take in terms of health system reforms (for example, primary care reform initiatives, wait times management systems, health information systems, etc.), a clear consensus emerged: 86% of ACAHO members agreed that major reforms were in order. Only 7% of the sample considered a complete overhaul to be necessary. The same percentage (7%) commented a minor tune-up was all that was required. (See Figure 3)

In terms of priorities for health system renewal, increased investments targeted towards the development of an integrated electronic health record emerged as the most important with 93% of respondents strongly agreeing on the significance of this structural reform. Other reforms which

86% of ACAHO members agree that major reforms to the health system (i.e. health information systems, wait times management, primary care reform etc.) are in order.

received high scores in terms of support include training additional health care professionals (69%) and implementing new models of primary care reform (66 %). (See Figure 4)

Figure 2: Ability of Senior Leaders to Manage Teaching Hospital or Regional Health Authority over the Past Five Years

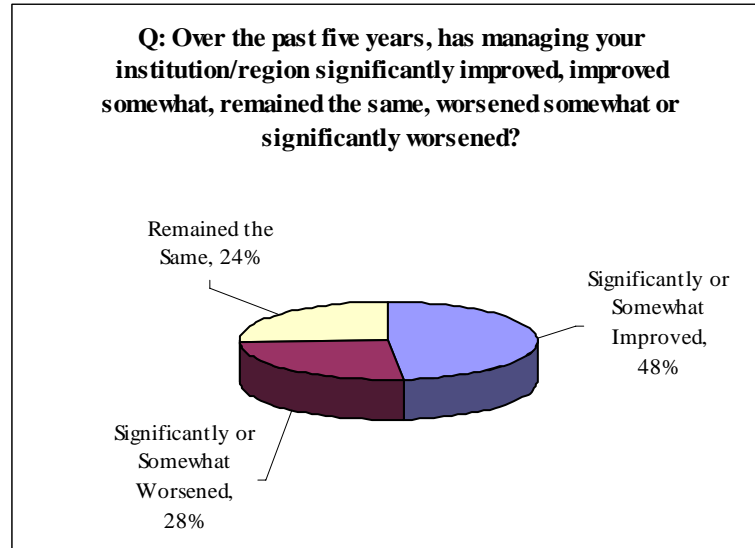


Figure 3: ACAHO Members views on Health System Reforms

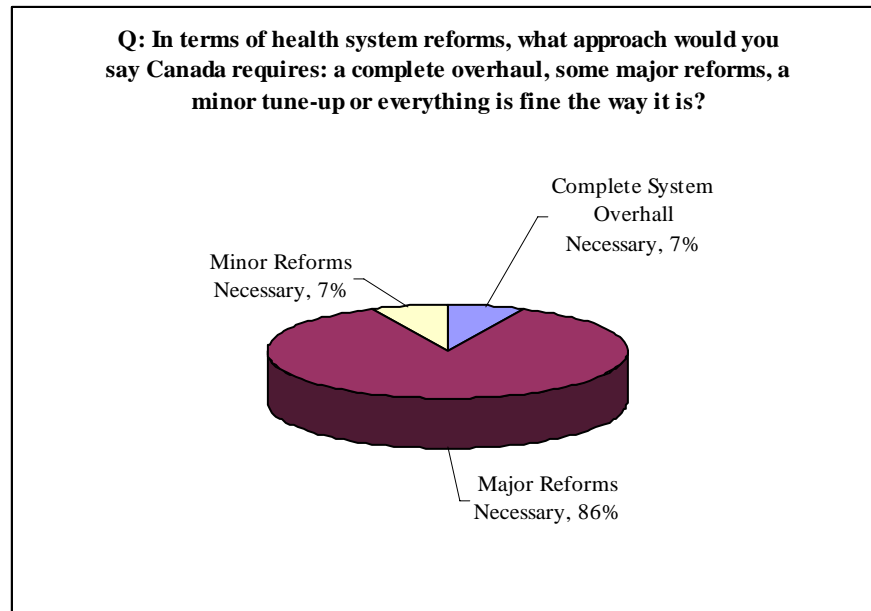
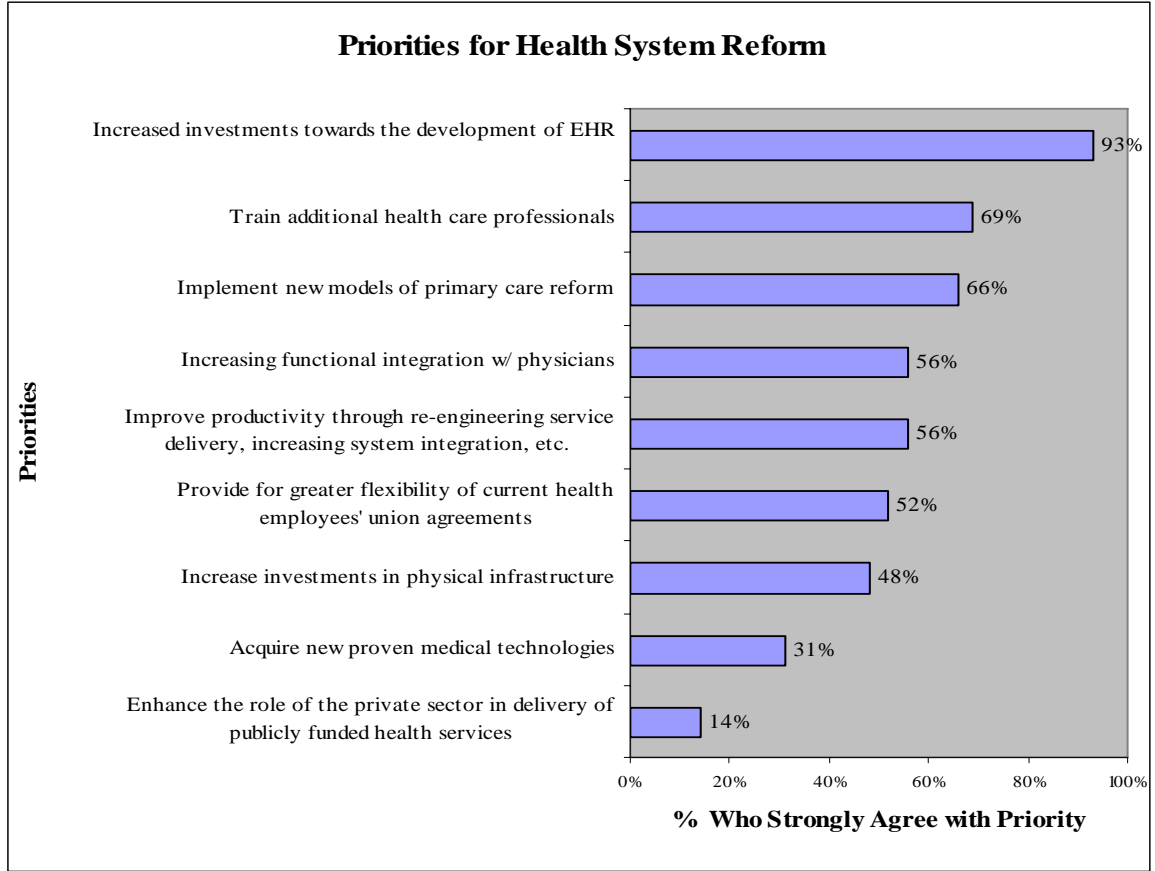


Figure 4: Priorities for Health System Renewal



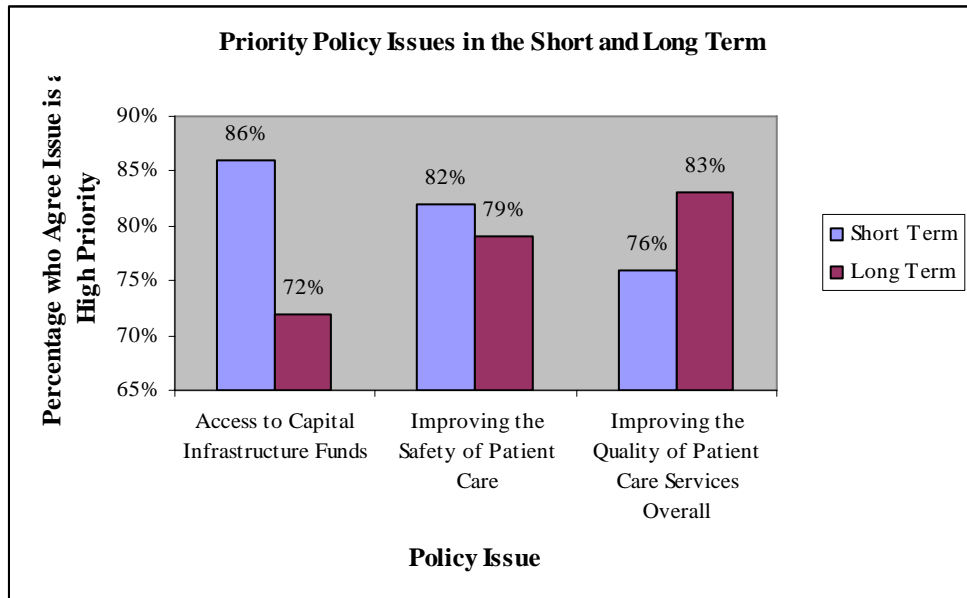
Access to capital infrastructure funds remains a high priority for 86% of ACAHO members.

Looking to the longer term (within the next three to five years), 83% of members consider quality of patient care services the most important policy issue for their institution or regional health authority.

Notably, only 14% of respondents strongly agree that enhancing the role of the private sector in the delivery of publicly funded health services was a priority.

In the short term (within the next year), a number of policy issues were deemed to be a priority to Canada's health system leaders. Access to capital infrastructure funds to expand the ability to deliver quality health services is a high priority of 86% of CEOs; 82% agree that improving the safety of patient care to reduce avoidable adverse events is a priority; 76% agree that improving the quality of patient care services overall is a high priority. Looking to the longer term (within the next three to five years), 83% of members consider quality of patient care services the most important policy issue for their institution or regional health authority. Improved patient safety is a high priority for 79% of respondents; access to capital infrastructure funds (72%) rounds out the top three policy priorities. (See Figure 5)

Figure 5: ACAHO Members' Short and Long Term Policy Priorities



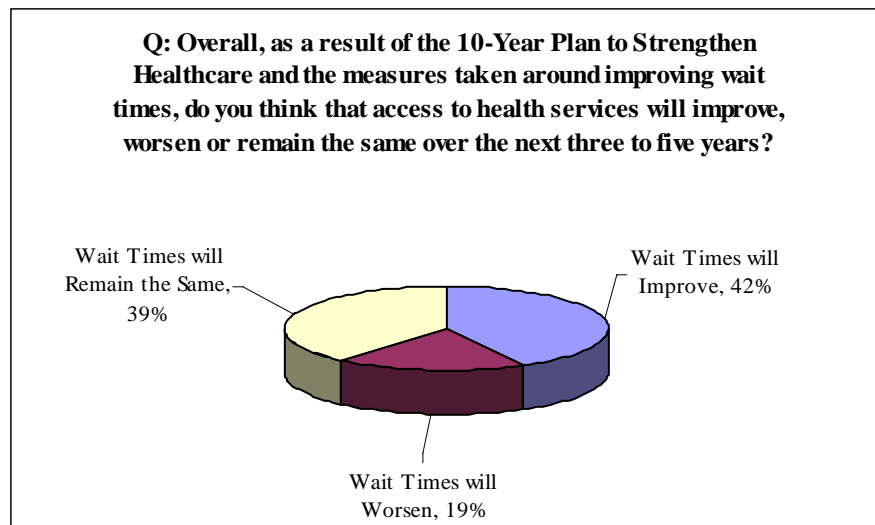
CHAPTER THREE: WAIT TIMES AND ACCESS TO HEALTH CARE

42% of respondents believe that wait times will improve as a result of the 2004 First Ministers' 10-Year Plan to Strengthen Healthcare. 39% expect wait times to remain comparable.

Since the First Ministers' meeting in September 2004 where wait times and timely access to care were foremost on the agenda, a number of federal, provincial, regional and local initiatives have been launched in order to effectively reduce the length of time Canadians wait for health services.ⁱⁱⁱ

Respondents were asked whether, as a result of the 2004 First Ministers' 10-Year Plan and the measures taken around improving wait times, they think that access to health services will improve, worsen or remain the same over the next three to five years. 42% of respondents indicate they believe wait times will improve, while 39% report they expect wait times to remain comparable. 19% think that wait times will worsen as a result of the 10-Year Plan. (See Figure 6)

Figure 6: Effect of the 2004 First Ministers Agreement on Wait Times over the Next 3 to 5 Years



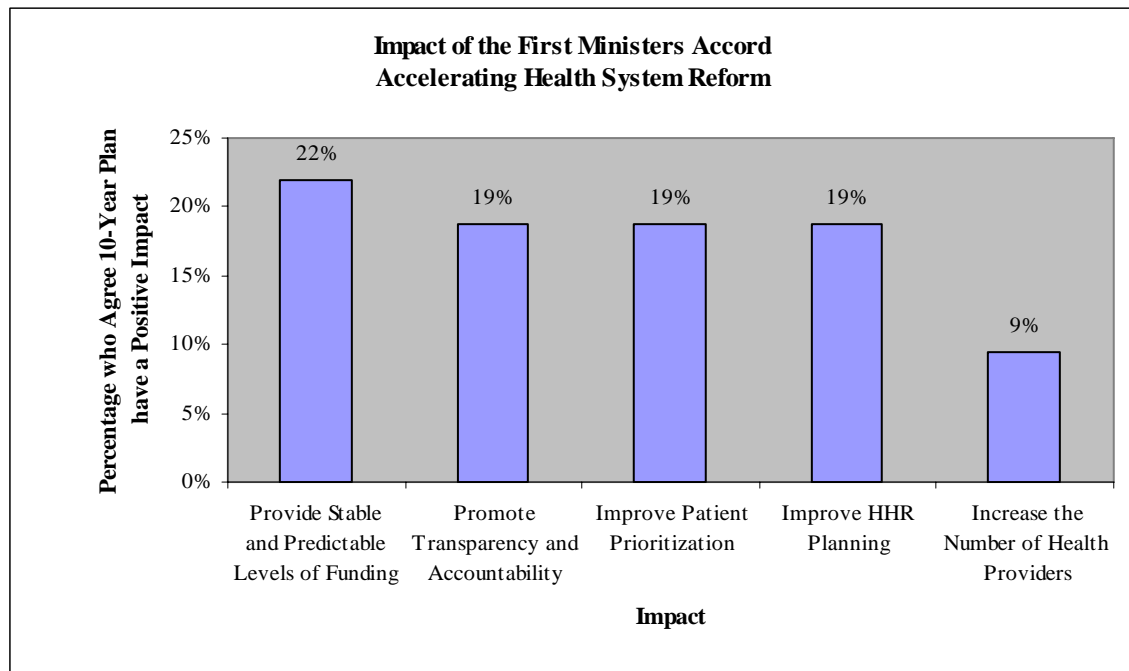
When asked whether they believe that the 10-Year Plan will play an important role in accelerating system reform at the provincial and territorial level, 35% of ACAHO members agree that system reform will accelerate as a result of the plan. Fully half (50%) of respondents disagree and 15% had no opinion. Of those who agree, 22% believe that stable and predictable levels of funding will result. An equal number of respondents (19%) believe that increased transparency and accountability will be promoted, there will be improvements in the way patients are prioritized and moved through the system, and health human resource planning will improve. Only 9% are of the view that the agreement will increase the number of health providers. (See Figure 7)

69% of ACAHO members identified health information technology and primary health care services as key issues in order to increase access to health services.

ACAHO asked members to identify key issues and their relative significance with respect to achieving timely access to health care. Health information technology and primary health care services (including access to family physicians and other primary care providers) were deemed critical to increase access to health care services. 69% of respondents consider health information technology and primary health care services as "very important". Post-discharge services also scored well. 58% of respondents recognize the important role of home care, long term care and rehabilitation services have in increasing timely access to health care. Advanced diagnostics and acute care services (elective services, radiation) are believed to be "very important" by 42% of ACAHO members; specialist consultations and cancer care services receive priority scores from

35% of those surveyed; hospital emergency rooms are considered “very important” by 23%. Other issues which brought forward by ACAHO members include resources for chronic care patients with diminishing autonomy and a focus on continuum of care. (See Figure 8)

Figure 7: Impact of the First Ministers Accord Accelerating Health System Reform

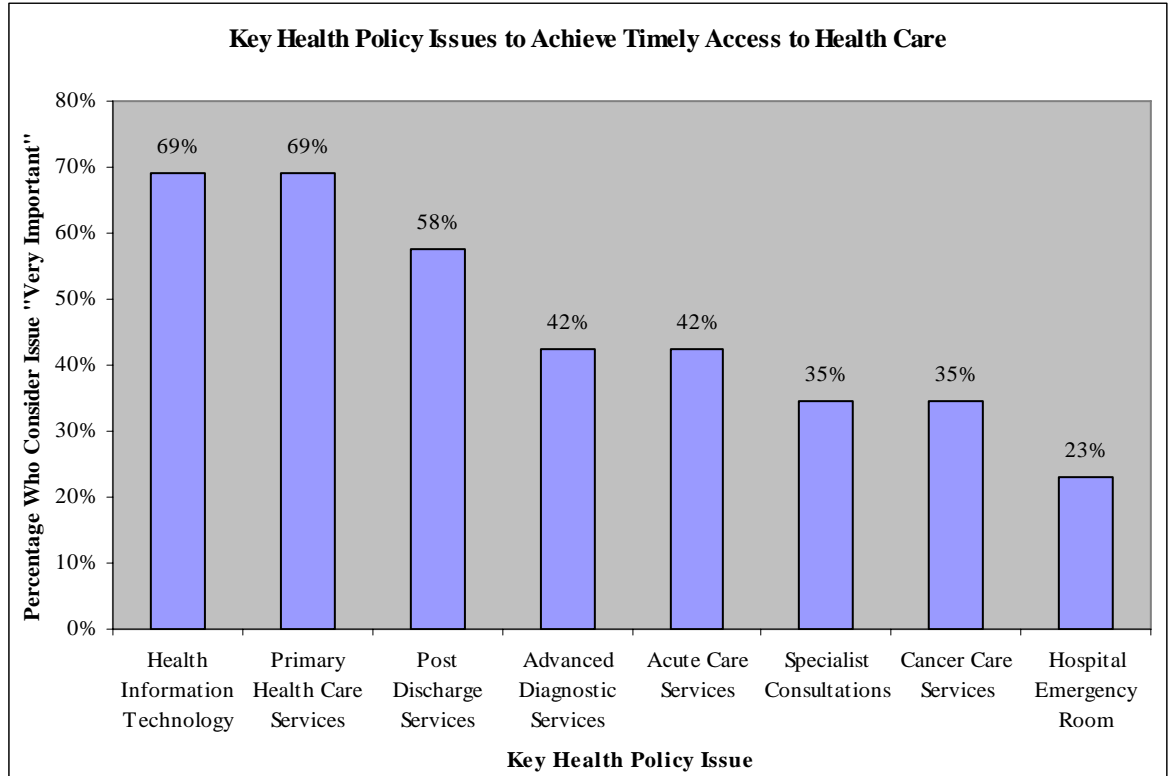


In the long term, sufficient operating funds (77%) and health information technology (69%) are considered top priorities for respondents when considering strategies to reduce the length of time Canadians wait for health services.

When those surveyed were asked to consider the effectiveness of specific strategies to reduce the length of time Canadians wait for health services in the long term, sufficient operating funds took top priority for 77% of respondents who considered it “very important.” Health information technology was ranked as the second most effective strategy by 69% of ACAHO members; an adequate number and mix of health professionals was ranked “very important” by 64% of respondents. The following is the remaining list of issues and the percentage of respondents who considered them “very important” in terms of effectively reducing wait times for health services:

- Access to chronic disease management and prevention programs - 48%
- Adequate physical infrastructure/capacity - 46%
- Realistic patient expectations - 42%
- System policies and administrative practices that make efficient use of existing resources – 42%
- Standardized definitions of medically acceptable wait time benchmarks – 31%
- Waiting list prioritization tools - 28%
- Centralized or coordinated management of access to health services – 23%
- Service availability in rural and urban settings - 20%

Figure 8: Key Health Policy Issues to Achieve Timely Access to Health Care



63% of ACAHO members are involved in activities to centralize wait list registries, and implement evidence based benchmarks and targets.

56% are taking steps to address staffing shortages.

53% of ACAHO members are implementing priority scoring tools.

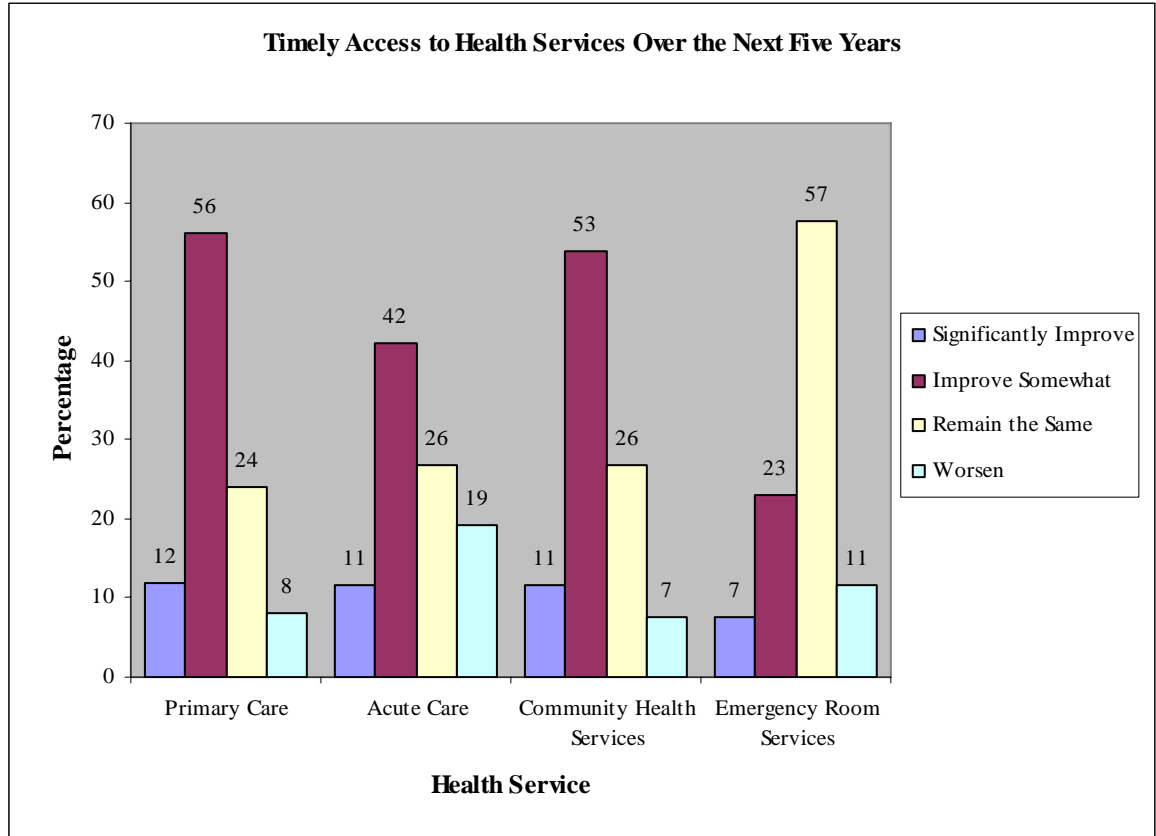
38% are extending traditional hours of operation to increase overall throughput.

ACAHO next asked members to contemplate health care and the health care system five years into the future. 56% of respondents believe that Canadians' timely access to primary care health services will "improve somewhat". Only 12% believe access will "significantly improve"; 24% forecast access to remain the same. 8% forecast access will worsen somewhat.

In terms of timely access to acute care services, 42% believe access will "improve somewhat". As the case for primary care, only 12% see Canadians' ability to access acute care services "significantly improve". 19% believe access will actually worsen. With respect to access to community health services, 54% believe community health services will become "somewhat" more accessible; only 12% foresee significant improvements. Much the same when respondents were queried about emergency room services: 31% think access will improve, though 58% believe access will remain the same. 12% forecast that access to emergency room services will worsen. (See Figure 9)

Members of ACAHO were invited to share the measures their institution/regional health authority was taking to improve Canadians access to health care services. 63% of members are engaged in activities to centralize waiting list registries, and implement evidence based benchmarks and targets. 56% are taking steps to address staffing shortages; 53% of those who responded are implementing priority scoring tools. 38% are extending (traditional) hours of operation to increase overall throughput. Members are engaged in other activities to improve Canadians access to health care services as well.^{iv}

Figure 9: Timely Access to Health Services Over the Next Five Years



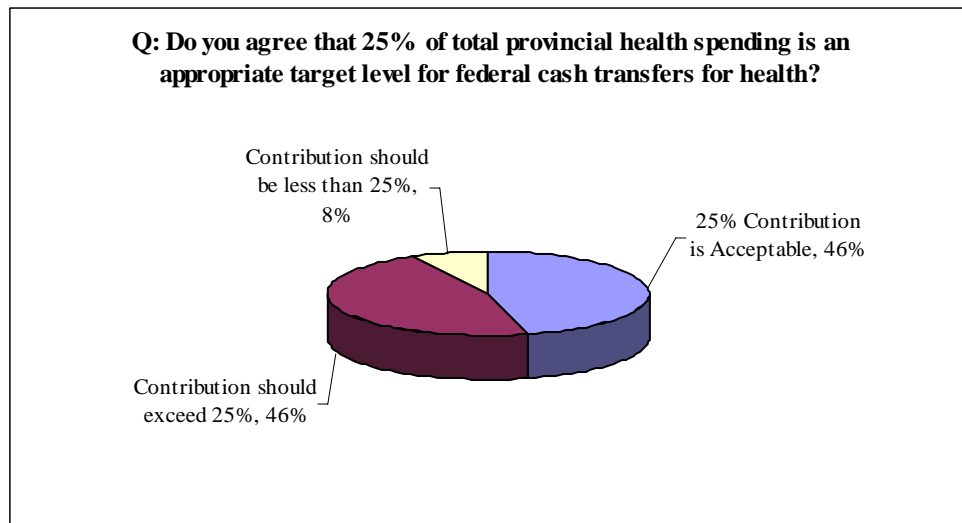
CHAPTER FOUR: THE FEDERAL ROLE IN HEALTH CARE

Members of ACAHO were split when asked if they agreed that 25% of total provincial health spending is an appropriate target level for federal cash transfers for health.

Notwithstanding the First Ministers Agreement in 2004 (“A 10-Year Plan to Strengthen Health Care”) ^v, there continues to be an ongoing discussion about the federal government’s role in funding, and shaping the structure of the health system. The discussion generally falls along two lines: (1) that there is a need for a strong federal government to collaborate with the provinces when it comes to the future of the health system, or (2) the federal government should provide a financial contribution, however it should respect the constitutional authority given to the provinces in administering their own health systems. This chapter outlines prospective parameters for the federal role in health from the perspective of ACAHO members.

Members of ACAHO are split when asked if they agree that 25% of total provincial health spending is an appropriate target level for federal cash transfers for health. 46% of respondents confirm that 25% is an acceptable level of funding, while an equal percentage (46%) believes the federal contribution should be more than 25%. Only 8% agree that the federal contribution should be less than 25%. Of that 8%, 100% of respondents believe that the federal government should transfer the tax room to the provinces as opposed to spending the money on other priorities. (See Figure 10)

Figure 10: Acceptable Levels of Federal Cash Transfers to Provinces



Members were asked whether or not they believed that the \$41 billion, 10-Year Plan to Strengthen Health Care adequately addresses federal health spending, including transfers to the provinces for the decade to come. No respondents strongly agreed with this statement.

Members were asked whether or not they believed that the \$41 billion, 10-Year Plan to Strengthen Health Care adequately addresses federal health spending, including transfers to the provinces, for the decade to come. No respondents strongly agreed with this statement. In fact, only 19% of members of ACAHO agree somewhat with this notion. 67% either disagreed somewhat or strongly disagreed that the 10-Year Plan will “fix health care for a generation”. Notably, 15% were undecided. (See Figure 11)

Where the majority of respondents (42%) feel the federal government had a role to play is in terms of shared priority-setting and linking federal investments to specific deliverables. 31% state clearly that there is no role for the federal government - health care is the purview of the

provinces and territories. 23% believe that status quo is acceptable, with the federal government maintaining exclusive responsibility for aboriginal health. 4% had no opinion. (See Figure 12)

Figure 11: Ability of the 2004 First Ministers' Accord to Address Federal Health Care Spending

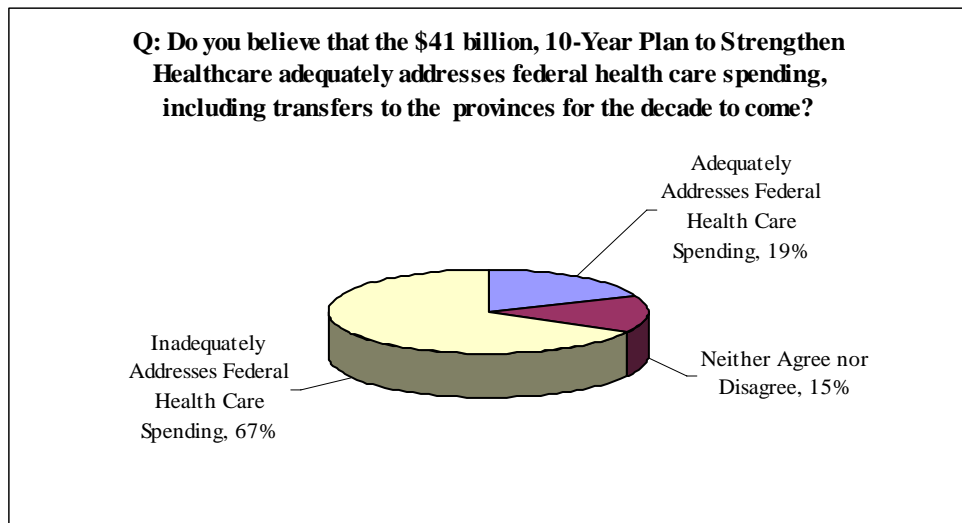
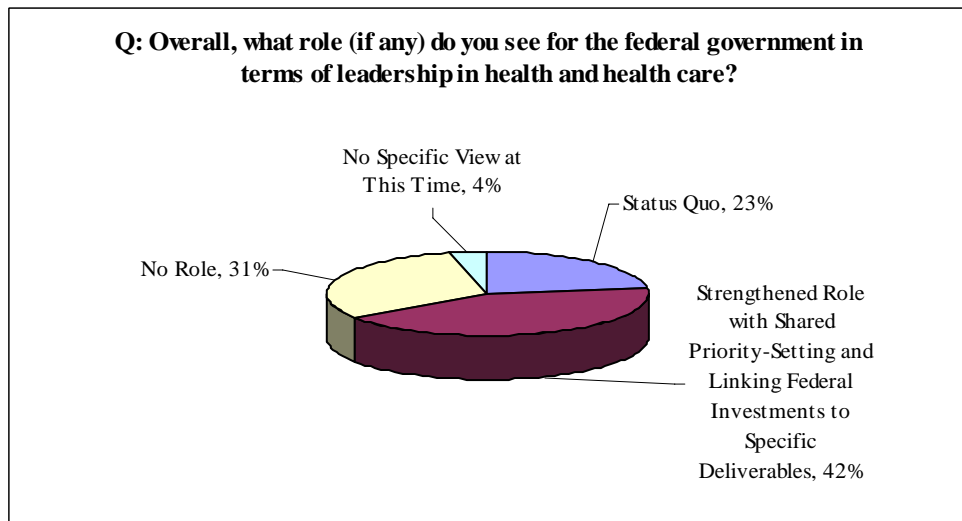


Figure 12: Role of the Federal Government in Health and Health Care

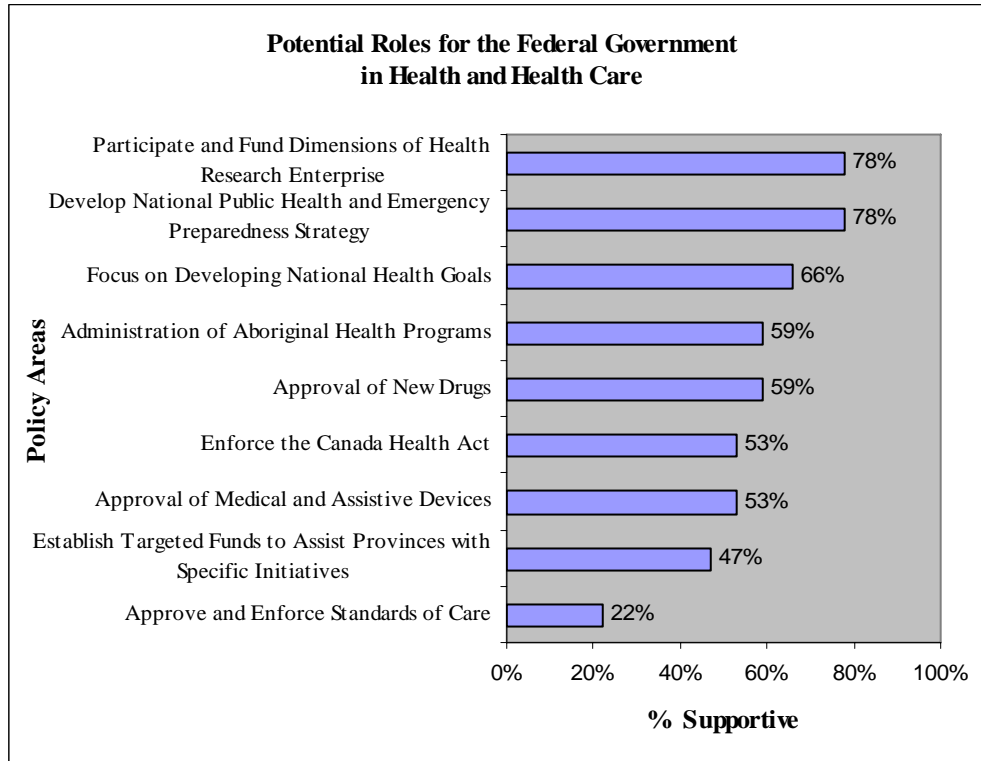


78% of respondents believe the federal government should continue to participate and fund the dimensions of Canada's Health Research Enterprise.

Delving further into the issue, the survey asked ACAHO members for which (if any) policy issues they believe the federal government has a role to play. 78% believe that the federal government should continue to participate and invest in the dimensions of Canada's health research enterprise. An equal proportion (78%) think that developing a national public health and emergency preparedness strategy falls under federal purview. 66% agree that the federal government's focus should be on developing national health goals; 59% believe that administration and provision of aboriginal health programs is crucial; the same proportion (59%)

affirms the approval of new drugs is a federal role. According to ACAHO members, approval of medical and assistive devices (53%) and enforcing the *Canada Health Act* (53%) are also important roles of the federal government. Less than half of respondents consider establishing targeted funds to assist the provinces with specific initiatives (47%) or approving and enforcing standards of care (22%) a viable role for the federal government to play. (See Figure 13)

Figure 13: Potential Roles for the Federal Government in Health and Health Care



CHAPTER FIVE: CANADA'S HEALTH RESEARCH ENTERPRISE (HEALTH RESEARCH, INNOVATION & COMMERCIALIZATION)

Fully 100% of ACAHO members consider the federal government's role to support and nurture the health research enterprise to be "very important" or "important."

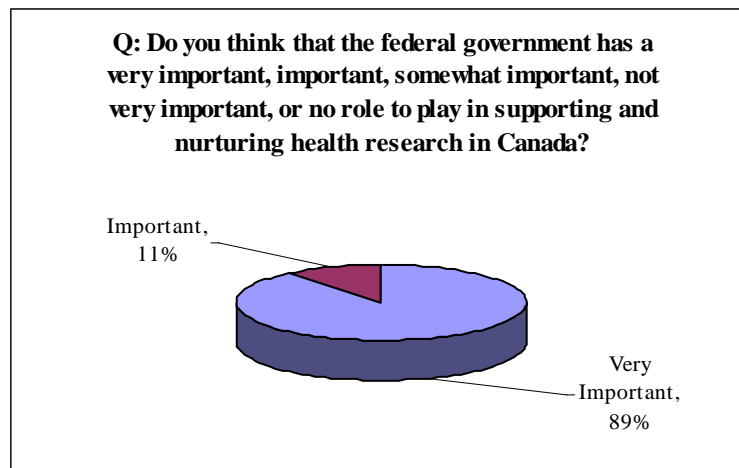
Research is the oxygen of an evidence-based health system. It is the basis on which many sound public policy decisions are based. It is the backbone of a health system upon which cost-effective clinical and/or administrative decisions are taken.

Research is the foundational building block that facilitates innovation in at least three dimensions, it: (1) contributes to improving the individual and collective health status of Canadians; (2) impacts on the architecture of the health system and the manner in which we deliver a range of cost-effective health services; and (3) produces leading-edge, world class discoveries that provide opportunities to leverage major economic benefit as well as health gains.

The emergence of an increasingly integrated and global, knowledge-based economy continues to transform the way in which sustainable economic growth strategies are developed and implemented. Ensuring Canada's prosperity and well being tomorrow depends on our ability to innovate today, bringing Canadian ideas from discovery into the health system and to the marketplace.

Canada's health system leaders were asked to think about the future of health research in Canada and reflect on the role the federal government has in supporting and nurturing health research in Canada. Fully 100% of respondents consider the federal role to be "important" or "very important." (See Figure 14)

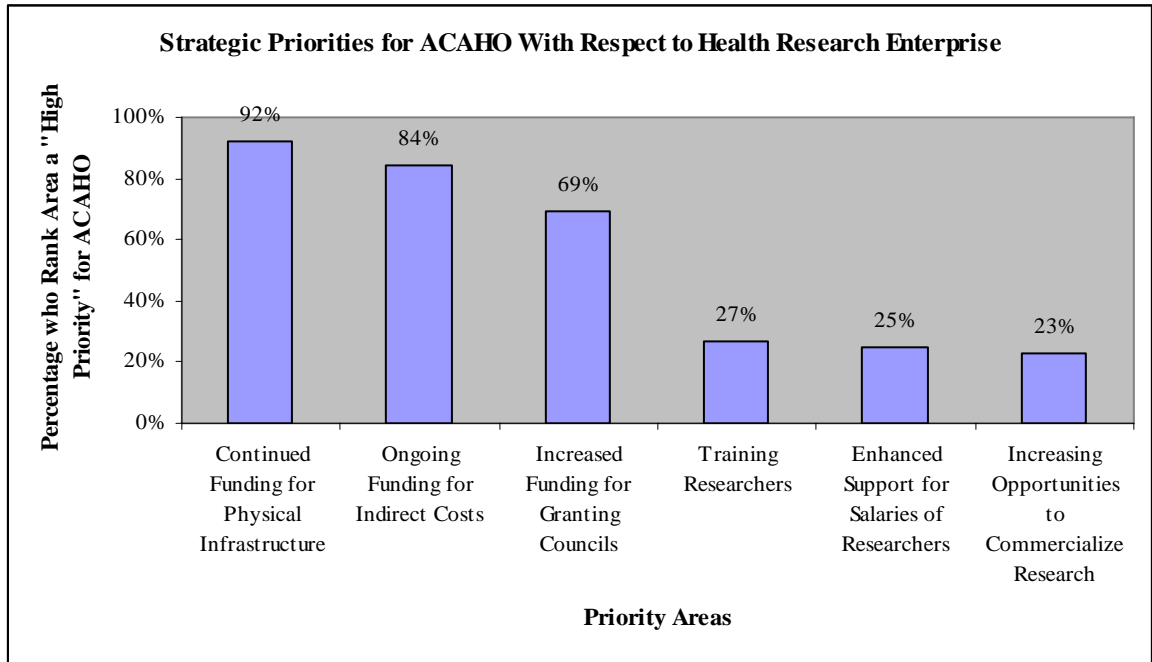
Figure 14: Relative Importance of the Federal Government Considering the Future of Health Research In Canada



Currently, the federal government funds different dimensions of Canada's health research enterprise (e.g. operating grants, infrastructure, indirect costs, etc). ACAHO asked members to consider to which dimensions should be strategic priorities for the Association. In light of the recent stalemate around the Canadian Foundation for Innovation Research Hospital Fund, continued funding for physical infrastructure was a "high priority" for 92% of members who responded to the survey, followed closely by ongoing funding for the indirect costs of research (84%). 69% consider increased funding for the Granting Councils (e.g. Canadian Institutes for Health Research) a high priority item for ACAHO. 25% deem advocating for enhanced support

for salaries of health researchers a high priority. In terms of training new researchers, 27% consider this a main concern. 23% of respondents believe that ACAHO should make facilitating the ability of researchers and institutions to commercialize research a high priority. (See Figure 15) This finding speaks to the view of ACAHO members who believe that focusing on the commercialization of health research requires other fundamental investments such as physical infrastructure, operating grants, and funding for indirect costs.

Figure 15: Strategic Priorities for ACAHO with respect to the Health Research Enterprise



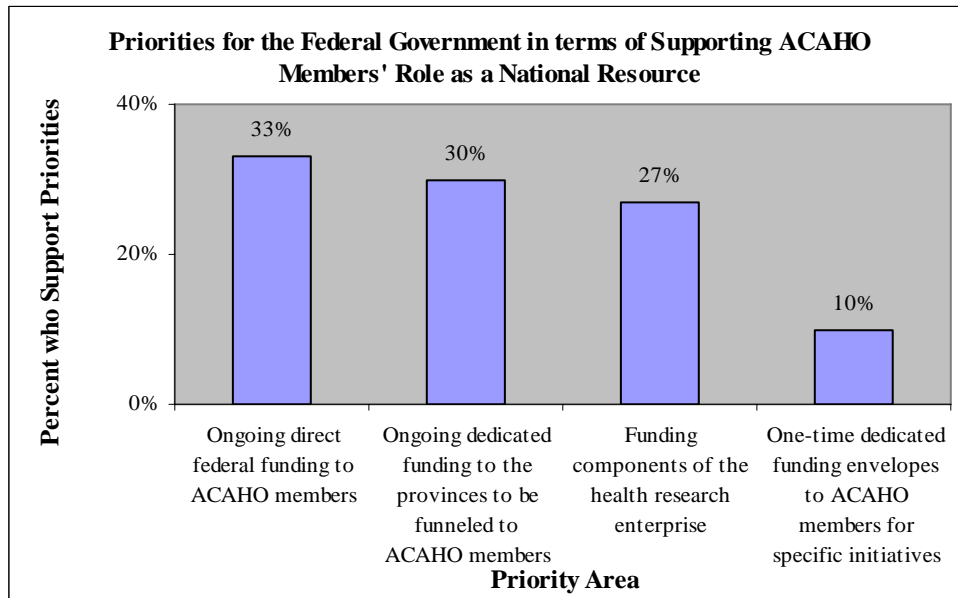
CHAPTER SIX: CANADA’S ACADEMIC HEALTH SCIENCES CENTRES AS A “NATIONAL RESOURCE” IN THE SYSTEM

44% of respondents disagree that the federal government sufficiently supports the role of Academic Health Science Centres in the health system.

Although there have been a number of in-depth national, federal, provincial and territorial reviews of the health system in Canada, there has not been a systematic review of the current mission/mandate and future roles and responsibilities of Canada’s Academic Health Sciences Centres since the early 1990s, despite the fact the system has experienced profound change. It has been proposed that a National Task Force, jointly supported by stakeholders and federal, provincial and territorial governments, be established to consider and develop recommendations that will focus on the future role of Canada’s Academic Health Sciences Centres.^{vi}

Given the mission and mandate of Canada’s Academic Health Sciences Centres (i.e., service provision, teaching and education, and research and innovation), members of ACAHO were asked how the government could support their role as a national resource within the health system, 33% of respondents ranked ongoing *direct* federal funding to Canada’s Academic Health Sciences Centres as their first priority. The second priority (30%) was ongoing dedicated funding to the provinces which would be in turn funneled to ACAHO members. 27% rank continued funding for different components of the health research enterprise as a top priority. This includes funding for the Canadian Institutes of Health Research, the Canada Foundation for Innovation Research Hospital Fund and the Indirect Costs of (Health) Research program. Only 10% elected one-time dedicated funding envelopes to Canada’s Academic Health Sciences Centres for specific initiatives as a priority in terms of support the federal government could provide. (See Figure 16)

Figure 16: ACAHO Members’ Priorities for the Federal Government in Terms of Supporting their Role as a National Resource in the Health System



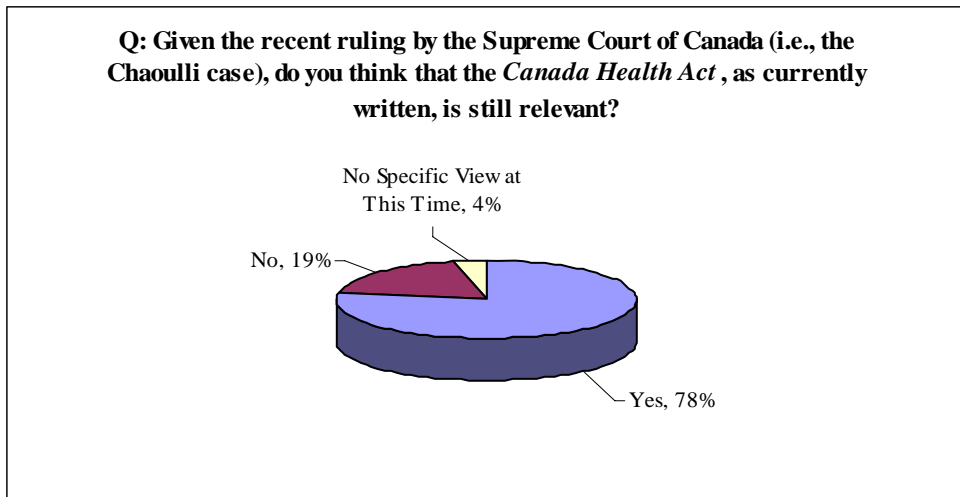
CHAPTER SEVEN: THE CANADA HEALTH ACT

The five principles of the *Canada Health Act*^{vii} are the cornerstone of the Canadian health care system, and reflect the values of our single-payer, publicly-financed health care system. This legislation affirms the federal government's commitment to a universal, accessible, comprehensive, portable and publicly administered health insurance system.

78% of ACAHO members believe the *Canada Health Act* is still relevant, as written.

When ACAHO asked members whether they thought that the *Canada Health Act (CHA)*, as it is currently written, is still relevant in light of the recent ruling by the Supreme Court of Canada (the Chaoulli decision), 78% agreed that it was. When asked if there were any specific changes members of ACAHO would like to see made to the *Act*, 30% said the *Act* should be expanded to include additional principles (e.g. accountability, etc.); 22% think the *Act* ought to clarify the role of the private sector in delivery and financing of "core" medical and hospital services. The same percent (22%) believes that the *Act* should not be changed, but rather, should be supported by a federal/provincial accountability agreement (e.g. to agree on wait time targets and quality measures). 11% believe that the *Act* should be expanded to include home care and/or prescription drugs for example, as "insured services." No respondents believe that the *Act* needs to be repealed.

Figure 17: Percentage of Respondents who believe the *Canada Health Act* is (as Written) Still Relevant



Only 41% of ACAHO members are familiar with the new appeal process that has been negotiated between the federal and provincial/territorial governments to deal with potential violations of the *Canada Health Act*. The majority (59%) of respondents are unaware of this process for petition. The 2003-2004 Annual Report of the *Canada Health Act* stipulates that "non-compliance of the five criteria (universality, accessibility, portability, public administration, and comprehensiveness) or two conditions (information and recognition) of the *Canada Health Act* is subject to discretionary penalties. The *CHA* sets out a consultation process that must be undertaken with the province or territory before discretionary penalties can be levied. To date, the discretionary penalty provisions of the Act have not been applied."^{viii}

CHAPTER EIGHT: PUBLIC-PRIVATE PARTNERSHIPS (P3S)

A public-private partnership (P3) is a contractual arrangement between a public payer and a private provider that obligates the private provider to delivery a specified level of services, under specified terms, in exchange for public funding. In P3 partnerships, risk is shared between parties (financial and service delivery).

ACAHO asked members for which services they would support public-private partnerships within their institution or regional health authority. 28% respond they would support a P3 arrangement for infrastructure renewal projects. 24% consider support services eligible for partnership with the private sector; 20% for long term care facilities.

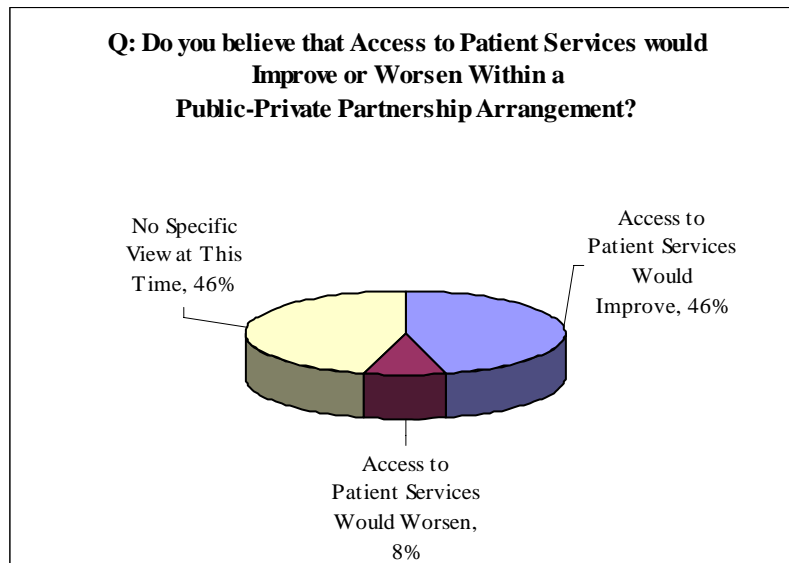
For ACAHO members involved in public-private partnerships (and who responded to the survey), 43% were engaged in partnerships of value \$10 million or less; 36% in partnerships worth between \$10.1 million and \$100 million; 21% in P3s worth greater than \$100 million.

With respect to access to the health system, 46% of members believe that access to patient services improve with a P3 arrangement. Notably, an equal proportion (46%) neither agrees nor disagrees that patient services would become more accessible as a result of the partnership. Only 8% think that access would worsen. (See Figure 18)

25% of ACAHO members believe that the quality of health services would improve in a public-private partnership. 21% disagree, and 54% were undecided with respect to whether improved quality would result from P3 partnerships. (See Figure 19)

Speaking to the issue of cost-savings, 38% of respondents believe that cost-savings result as a result of partnerships with the private sector. 20% disagree, 42% neither agree nor disagree that cost-savings would accrue from P3 partnerships. (See Figure 20)

Figure 18: Access to Patient Services Where a Public-Private Partnership Exists



ACAHO asked members for which services they would support public-private partnerships within their institution or regional health authority. 28% respond they would support a P3 arrangement for infrastructure renewal projects. 24% consider support services eligible for partnership with the private sector; 20% for long term care facilities.

Figure 19: Quality of Health Services as a Result of a Public-Private Partnership Arrangement

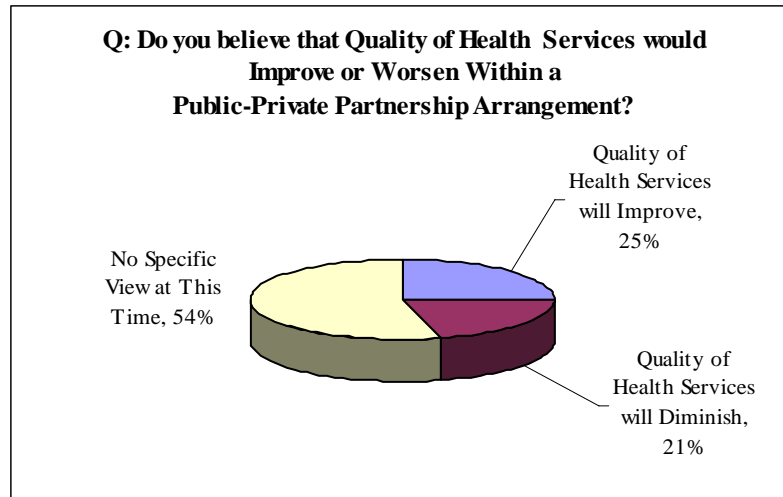
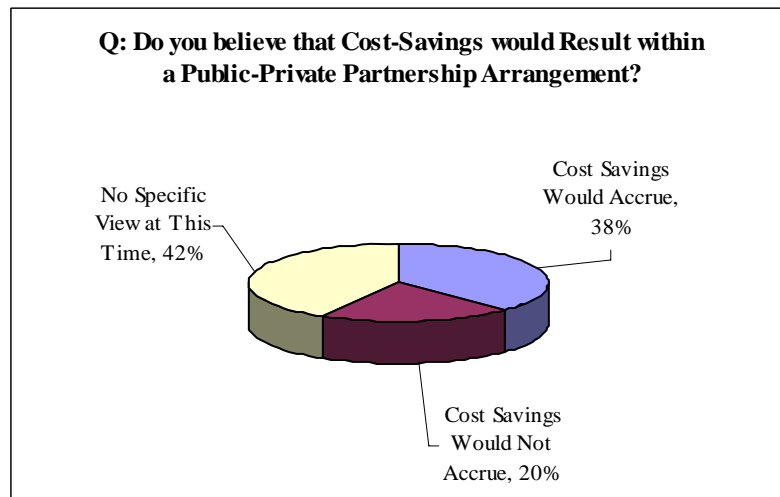


Figure 20: Cost Savings as a Result of Public-Private Partnership Arrangement



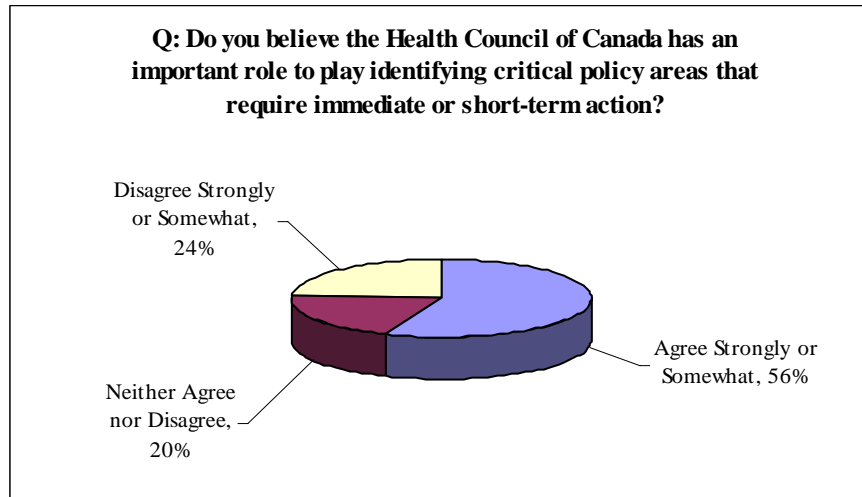
CHAPTER NINE: HEALTH COUNCIL OF CANADA

Created in December 2003, as a result of the 2003 First Ministers' Health Accord, and following the recommendations of the Romanow and Kirby Reports, the Health Council of Canada is mandated to monitor and report on the progress of health care renewal in Canada – specifically monitoring the implementation of the 2003 First Ministers Health Accord.

56% of ACAHO members believe the Health Council of Canada has an important role to play identifying critical policy areas of focus.

When members of ACAHO were asked to what extent they believed that the Health Council has an important role to play in identifying critical policy areas of focus that require immediate or short-term attention and action (e.g., timely access to care; health information technologies; health human resources; primary care renewal), 56% agree that a significant role exists for this independent council. 24% of respondents disagree that the Council has an important role in the health system; 20% are indifferent, neither agreeing nor disagreeing. (See Figure 21)

Figure 21: Significance of the Role of the Health Council of Canada



CHAPTER TEN: CONCLUSION

This report, the first of its kind to survey senior health leaders, reveals health system strengths and weaknesses, enablers and challenges, not from a theoretical standpoint, but from an applied administrator's (local) point of view. While there is no doubt that members of ACAHO strongly believe that major health system innovations are necessary and overdue, they remain clearly committed to the fundamental principles that underpin Medicare.

ACAHO members generally agree that there is an important collaborative role for the federal government when it comes to the future of the health system; particularly when it comes to shared priority-setting and linking federal investments to specific deliverables. At the same time however, they remain concerned that the 10-year First Ministers' Agreement will not "fix" Medicare for a generation.

A strong federal presence is needed to assist teaching hospitals and regional health authorities in fulfilling their mandate as a national resource in the system. It is important to note that while a number of health system reviews have been conducted at all levels of government, none have included a systematic review of the current mission/mandate and future roles and responsibilities of Canada's Academic Health Sciences Centres since the early 1990's.

The survey also demonstrates that ACAHO members see the federal government playing a strong leadership role when it comes to supporting and nurturing the country's health research enterprise. In particular, continued funding for the different components of the health research enterprise was identified as a top priority. Fully 100% of respondents consider the federal role in supporting and nurturing health research in Canada to be either "important" or "very important".

While members of ACAHO hold senior positions within their communities and are often called upon to comment publicly as health system leaders, this inaugural report facilitates expression of their collective and "national" views from coast-to-coast. From access to care to health system funding and delivery, the leaders of Canada's largest teaching hospitals and Regional Health Authorities have provided a unique perspective on a range of timely policy issues and challenges.

END NOTES

ⁱ For more information on the activities of the Association, please visit our web-site at www.Acaho.org.

ⁱⁱ Twenty-nine of forty-three ACAHO members responded to the survey.

ⁱⁱⁱ *Wait Watchers II: Measuring Progress on Wait Time Strategies Across ACAHO Members* available online at www.acao.org

^{iv} *Wait Watchers II: Measuring Progress on Wait Time Strategies Across ACAHO Members*. March 2006. ACAHO.

^v 10-Year Plan to Strengthen Healthcare available online at http://www.hc-sc.gc.ca/hcs-sss/delivery-prestation/fptcollab/2004-fmm-rpm/index_e.html

^{vi} Brimacombe, Glenn and Joe DeMora. *ACAHO Rising...In Conversation with Joe deMora and Glenn Brimacombe*. Healthcare Management Forum.

^{vii} The *Canada Health Act* is available online at http://www.hc-sc.gc.ca/hcs-sss/medi-assur/index_e.html

^{viii} *Canada Health Act Annual Report 2003-2004*. Canada Health Act Division, Health Canada. February 2005.