

Decoding Duckett

Duckett said it. The plan IS to privatize more and more health services. Although they have said all along it's not about privatizing, now it turns out, it was after all.

Journal writer Sheila Pratt provided some excellent information with her two page feature interview and backgrounder on Stephen Duckett published August 16th. Duckett is however, as Pratt herself points out in the piece, a very clever messenger in the media. There are some aspects of his comments and the article that can do with a little decoding.

Pratt asks Duckett straight out about for profit health care services:

*“So will we see more private delivery of publicly funded health services?
‘Yes, I’m much more open to that,’ says Duckett.
The challenge is to determine whether the public and private systems are equally efficient, he says.”*

In fact numerous studies show that for-profit health care costs more and delivers less. Although Duckett is credited with bringing a more blended system into Australian health care he himself concludes that mixing public and private health care can be costly in a paper he published in the Canadian Medical Association Journal in 2005 (<http://www.cmaj.ca/cgi/reprint/173/7/745.pdf>).

“The Australian experience suggests that Canadians should be wary about allowing a significant private sector to develop in Canada, particularly if it seeks the level of subsidy that the Australian private sector has been able to garner.”

An immediate change to Activity-based funding to pave the way for business health care

In the article, Duckett announces a major change in health care funding in the province.

“Alberta hospitals will switch from the current system of block funding to an Australian model called activity-based funding (the first in Canada), which provides money on the basis of the number of patients served and the number of procedures performed.

*“I’d like to move by April 1, 2010,” says Duckett, who pioneered the system in Australia. “I don’t know whether I can get there, but it’s not a bad goal to set.”
The move should save tens of millions,” he added.*

ACTIVITY-BASED funding is essentially fee-for-service hospitals and it brings a whole new slate of problems with it, like incentives for hospitals to do lots of cheaper cases. More importantly though, it is as British health funding expert Allyson Pollock explains, a way to PUT PRICES on every service. When that is done, for-profit medical corporations can easily bid on public services, and even more importantly so can private insurance companies. Activity-based funding is a simple mechanism to allow for large scale privatization of our health services.

Moving to activity-based funding is a change from a medical model that provides services according to diagnosis and need of patient, to a system where the financial model is predominant. From patient focused, to funding focused.

“More reliance on the private sector to deliver publicly funded services is in the works – within the confines of the Canada Health Act, says Duckett.”

What is the difference between “publicly-funded health care” that Stephen Harper and Ron Liepert say they support and “publicly delivered health care”?

Profit! Profit for medical corporations is the most obvious difference, but also it is a major cultural change from a non-profit culture where the needs of the patient are always foremost, to a business model where the bottom-line becomes the over-riding concern. Study after study show for-profit health care delivers less and costs more.

Canadian Doctors for Medicare has produced an excellent research review and position paper on Activity-Based Funding. (Available at: <http://www.canadiandoctorsformedicare.ca/ABF-final-9.8.8.pdf>)

Cutting nursing and the number of RNs in Alberta’s hospitals

“The staff mix in hospitals will change with fewer nurses and increasing reliance on less costly licensed practical nurses.”

There are no great numbers of Licensed Practical Nurses (LPNs) waiting in the wings for a job. The shortage of LPNs mirrors the shortage of RNs. In the near term, Alberta Health Services is attempting to make do with a lot fewer nurses. And the newly graduating classes of nurses that we invested a great deal of money in and expanded our nursing programs for, are now leaving our province because there are no nursing jobs. Patients need more nurses not less!

Under the Canada Health Act – so it’s public medicare??!

“I want to live within the parameters of the Canada Health Act, and that’s exactly where I stand and I don’t think it’s a bad place to be.”

The federal and provincial governments in Canada have been lax about reporting on and enforcing the Canada Health Act for years. So much so that you could drive a truck through “the parameters of the Canada Health Act.” Unless the Act is firmly enforced, these parameters do NOT protect the principles of universal health care available equally to all.

Politicians, and it appears Stephen Duckett, are saying that it’s OK with the Canada Health Act, so it must be public, universal health care. It’s simply not true.

“Duckett says it is important to note that the Canada Health Act talks about public financing for health care — “full stop.” It does not restrict or rule out private delivery of those services, he adds.

So will we see more private delivery of publicly funded health services?

“Yes, I’m much more open to that,” says Duckett.”

On pharmacare:

This isn’t a Liepert or a Duckett idea, but it is an Australian idea and one many public health care advocates in Canada have been promoting as a cost-saving plan: pharmacare.

“Australians pay a “modest copayment” on each prescription, and there is a cap on copayments for low-income people or high users, he said.

Australia also has some of the lowest drug prices in industrialized countries, thanks to unique national pricing. The national government approves drugs on a national formulary, then negotiates bulk prices with the manufacturer.

Under this system, Australia pays 12 per cent below the OECD average for drugs, while Canada pays about 12 per cent higher, according to reports.

“It’s a terrific system,” says Swerissen. “It’s a world leader and everyone should look at it.”

Private hospitals, private clinics

And remember Calgary’s first private hospital HRG, now HRC, at the former Grace. That company has used public joint replacement and surgery contracts to grow and expand and now is looking for even more public money. Providing public contracts to private medical companies, allows them to expand and prepare for the full private

market health care. They are using public dollars to build the parallel private system that will erode our universal public one.

Kudos to Sheila Pratt for digging this up:

“The Calgary medical facilities market shows excellent strength. Shortages of medical facilities, lengthy project timelines for government-sponsored medical complexes, and increased demand for top-notch facilities adjacent to public hospitals all point to strong demand for the Cambrian Foothills Health Campus,” says the company’s website.

“With increasing partnerships between government and private industry for supplying the infrastructure to meet local needs, we and others see the Cambrian Foothills Health Campus as a model for future medical facilities development.”

The key here is what many in Alberta suspect.... a longer term plan to starve, reform and repeatedly disorganize the public health care system until it is weak and has reduced public support. Then the carefully-nurtured parallel, privately-owned facilities can offer their services.

An impossible task... maybe it won't get done

Pratt points out that Duckett is dealing with a \$1.1 billion deficit (up from the 9 health regions combined deficit of somewhere around \$300 million just a little over a year ago.)

“His job seems impossible: To improve healthcare access, quality and sustainability and, at the same time, reduce spending due to shrinking government revenues.

“It’s a challenge,” he says with a quick smile. “But that’s what we’ve got to do.”

It could be that it just is an impossible task, and the outcome will be reduced budget, reduced staff, reduced services. We could get left with a health service with decimated staffing, poor morale and a frustrated Alberta public. And Stephen Duckett is rumoured to be getting a sizeable bonus for meeting budget targets.

It seems highly likely that reduced health care access, reduced quality and actually reduced sustainability, from the workforce point of view if nothing else, really will be the outcome of the Duckett exercise. Perhaps that’s what the powers-that-be are really counting on. Then it will be full steam ahead on the privatization plan. Look out!!