



Inventory of Major Privatization

Initiatives in

Canada's Health Care System

2003 - 2004

Updated April 2004

TABLE OF CONTENTS

	<u>Page</u>
MAJOR FORMS OF PRIVATIZATION IN CANADA.....	1
PRIVATE FOR-PROFIT HOSPITALS.....	1
PRIVATE FACILITIES AND SERVICES: TWO-TIER HEALTH CARE.....	2
CONTRACTING OUT.....	2
X-CANADA: THE FEDERAL PERSPECTIVE	2
BRITISH COLUMBIA	3
2004.....	3
PRIVATE FOR-PROFIT HOSPITALS.....	3
CONTRACTING OUT.....	3
2003.....	6
PRIVATE FOR-PROFIT HOSPITALS.....	6
CONTRACTING OUT.....	7
PRIVATE FACILITIES AND SERVICES: TWO-TIER HEALTH CARE.....	8
OTHER.....	10
ALBERTA.....	11
2004.....	11
PRIVATE FOR-PROFIT HOSPITALS.....	11
PRIVATE FACILITIES AND SERVICES: TWO TIER HEALTH CARE.....	11
2003.....	12
PRIVATE FOR-PROFIT HOSPITALS.....	12
CONTRACTING OUT.....	13
PRIVATE FACILITIES AND SERVICES: TWO-TIER CARE.....	14
OTHER/TRADE.....	15
SASKATCHEWAN	15
2004.....	15
MANITOBA.....	16
ONTARIO.....	16
2004.....	16
PRIVATE FOR-PROFIT HOSPITALS.....	16
2003.....	17
PRIVATE FOR-PROFIT HOSPITALS.....	17
PRIVATE FACILITIES AND SERVICES: TWO-TIER HEALTH CARE.....	19

QUÉBEC	23
2004.....	23
PRIVATE FOR-PROFIT HOSPITALS.....	23
CONTRACTING OUT.....	24
FOR PROFIT CLINICS AND SERVICES: TWO-TIER CARE.....	24
NEW BRUNSWICK	25
Private-For Profit Hospitals.....	25
NOVA SCOTIA	25
FOR PROFIT FACILITIES AND SERVICES: TWO-TIER CARE	25
NEWFOUNDLAND AND LABRADOR	26
FOR-PROFIT FACILITIES AND SERVICES: TWO TIER CARE.....	26
CONTRACTING-OUT.....	27

Private, for-profit health care has proliferated, since the First Ministers' Accord on Health Care was signed in January 2003. This inventory lists many of those initiatives including public private partnerships, evidence of two-tier access to services, private for-profit clinics and other threats to sustainable, equitable public health care. Know about other instances of privatization in the health care sector? Please send tips and/or sources to: Corina Crawley, Research Assistant, National Office, (613) 237-1590, ccrawley@cupe.ca.

MAJOR FORMS OF PRIVATIZATION IN CANADA

PRIVATE FOR-PROFIT HOSPITALS

Private, for-profit hospitals are proliferating in the form of public private partnership projects, also known as PPPs or P3s. P3s involve complex contracts between the public sector and a group of private for-profit companies who come together as a single consortium with the explicit purpose of bidding on private hospital contracts.

The winning bidder is typically responsible for financing, managing and operating the hospital as well as delivering key hospital support services, usually through one of the companies in the consortium. In some instances, the private consortium owns the building and the public sector pays rent for its use, while in others, the public makes lease payments, and the private companies acts as a bank. A number of these private hospitals are at different states of completion across the country (see provincial sections for details). P3s are still a relatively new approach to financing new infrastructure, but governments are taking an increasing interest in the model in health and other sectors, as they present a convenient way to take costs off of government books and putting them off to the longer term.

British Columbia has two P3 hospital projects confirmed, Alberta has also announced two and has more in the works. The province of Quebec is planning to merge its major Montreal hospitals and create two superhospitals using the P3 model for financing and service delivery. Three P3 hospitals have been confirmed in Ontario and many more are in the works. New Brunswick and Newfoundland/Labrador are also looking at P3s to finance new health care infrastructure.

PRIVATE FACILITIES AND SERVICES: TWO-TIER HEALTH CARE

Another increasingly common form of privatization is private for profit clinics providing medically necessary services from dialysis to cancer care and surgery. They allow patients with private insurance or who wish to pay out of pocket to “jump the cue” by paying for services out of pocket. As more and more services that were once provided by the public sector are de-listed, ability to pay increasingly determines access to health services.

CONTRACTING OUT

Contracting out hospital support services is typically a part of P3 deals, but the public sector also contracts out work to the private sector directly, relying on for profit companies to hire staff and manage cleaning, laundry, food and dietary services, security and more. This is an increasingly common strategy used in an attempt to save on labour costs.

But the costs to the system are great. They include reduced quality, high staff turnover, a shortage of skills and training, higher workloads, unfair compensation as wages are cut in half, and reduced confidence in the public system. Women are impacted most directly by layoffs and reduced wages as women represent the majority of workers in these classifications. It is notable that new immigrant and visible minority women are highly concentrated in these types of jobs.

We are beginning to see the contracting out of other health services including direct patient care. In BC everything from the management of the province’s insurance plan to day surgery is up for sale, being contracted out to private providers.

X-CANADA: THE FEDERAL PERSPECTIVE

In November 2003, the government of Canada established an office inside Industry Canada to promote Public Private Partnerships for public infrastructure. The office’s mandate is to create awareness about P3s and offer promising new business opportunities for “Canadian service firms to provide cost-effective, innovative solutions to infrastructure and service needs”.

<http://strategis.ic.gc.ca/PPP> (April, 2004), [Headlines Archive December 2003](#).

The Martin government is open to revising the Canada Health Act. Government is open to making the act more flexible. Health care is expected to be key issue in the upcoming federal election.

CP Wire, “Ottawa Open to Revising Canada Health Ac, source say,”

Thursday March 25, 2004, Dennis Bueckert.

Broadcast News, "The Martin government is open to the idea of revising the Canada Health Act," Friday March 26, 2004.

BRITISH COLUMBIA

2004

PRIVATE FOR-PROFIT HOSPITALS

The new Academic Ambulatory Care Centre, Vancouver General Hospital's outpatient clinic, will be the first public private partnership (P3) project completed under the auspices of *Partnerships British Columbia*. The agency is a Crown corporation newly created in 2002 to promote P3s in the province.

The Abbotsford P3 is also set to move ahead this week, with Friday as the closing date for receiving private partner proposals on both facilities. The Vancouver Coastal Health Authority is negotiating with unidentified private companies to build, own and operate the multi-service facility. The only remaining bidder on the Abbotsford project is a consortium including Dutch ABN Amro Bank, Edmonton-based PCL Construction Group and Brookfield Lepage Johnson Controls, a North American management and personnel company.

The Academic Ambulatory Care Centre is expected to be complete in 2005 while the Abbotsford hospital's completion date is projected to be 2007.

The Vancouver Province, "Private sector admitted to VGF: Health Authority in talks with 'preferred partner' to build outpatient clinic," Mon April 12, 2004, A4, Elaine O' Connor.

Medical Post, 01/21/03, Vol. 39, No. 3, Lynn Haley.

Partnerships British Columbia, <http://www.partnershipsbc.ca/>, (April 13, 2004).

CONTRACTING OUT

BC has recently chosen an American company to manage its medical services plan and pharmacare systems. Concerns have been raised that private information kept in medical services database could be made available to American Authorities under the US Patriot Act. Maximus is a Virginia-based private for-profit company with a subsidiary in Canada, but this does not exclude them from the purview of the act, brought in after September 11, 2001. The Act allows the FBI to order organizations to

turn over information and companies are then forbidden to tell anyone that the data was released.

Privacy commissioners are studying the ramifications. Payroll records that would be managed by Maximus include personal information such as sick days taken, salaries and whether wages have been garnished. Concerns have been expressed over privacy and about whether the move is legal under the Canada Health Act (CHA), since “public administration” of Medicare is one of its 5 pillars.

Times Colonist (Victoria) “FBI Specter Looms Over Medicare,”
Thursday April 1, 2004, A1 front, Judith Lavoie.

CP Wire, 07/30/03, Judith Lavoie.

Broadcast News, “BC medical Services,” Wednesday March 31st, 2004.

The total number of job losses resulting from BC’s Bill 29, the Health and Social Services Delivery Improvement Act is now up to about 7000, with thousands more expected by the end of the year. Bill 29 has made it legal for employers to ignore negotiated contracts that are legally binding. And employers are taking full advantage of the opportunity to get around job security provisions in contracting out public health care work.

Bill 29, Health and Social Services Delivery Improvement Act, Legislative Session:
2nd Session, 37th Parliament Passed on 3rd reading, 27th day of January, 2002,
http://www.leg.bc.ca/37th2nd/3rd_read/gov29-3.htm

HEU, 2004.

Pink slips were issue to more than 1000 unionized health support workers from Nanaimo to Victoria on February 23rd. The Vancouver Island Health Authority has decided to contract out its housekeeping and food services to Morrison Health Care food Services and Crothall Services Canada, both divisions of Compass Groups Canada.

Layoffs of 1,029 full, time part, time and casual workers will roll out over the next six months. Of those losing their jobs, 90% are women. The average wage of most workers was 19.50 before the layoff. The contractors are expected to pay 9.50 an hour.

Times Colonist (Victoria), “Contracts axe union jobs: More than 1000 health workers face layoffs, outside firms hired,” February 24th, 2004, A1, Bill Cleverley.

Daily News (Nanaimo), “Sad Day for health workers” Health Authority giving jobs to private contractors; 141 workers to be laid off,” Ai/Front, Valerie Wilson.

2003

PRIVATE FOR-PROFIT HOSPITALS

Passed in November 2003 by the Gordon Campbell Liberals, Bill 94, the Health Sector Partnerships Agreement Act, makes private hospitals legal. It sets out the legal terms for entering into public private partnership hospitals and for contracting out, making privatizing BC's health system more attractive to for-profit corporations and easier to do.

BILL 94, HEALTH SECTOR PARTNERSHIPS AGREEMENT ACT, 2003
Legislative Session: 4th Session, 37th Parliament; Third Reading on the 27th day of November 2003. http://www.leg.bc.ca/37th4th/3rd_read/gov94-3.htm

Interior Health Authority plans what sounds like a public private partnership project for a new long-term care facility for seniors and people with disabilities. Six different groups of for-profit companies have submitted expressions of interest to build, design, operate and staff the facility privately. Construction planned to begin in spring of 2004.

Nelson Daily Times, 07/16/2003, Page 1/Front, Kathy Keil.

Kimberly B.C. purchases hospital from Interior Health Authority with idea to turn the hospital into a "health mall" providing for-profit "fringe services" in a 3-way partnership with the town, the Health Authority and a private management company.

Medical Post, 01/14/03, Vol. 39, no. 2, David Kosub.

A feasibility study is underway to look at public private partnership for new hospital near Parksville, proposed by US firm.

Times Colonist (Victoria), 05/15/03, B3.

A hospital and cancer centre in Abbotsford, BC will be a public private partnership. Several firms have submitted bids. A newly established crown agency, "Partnerships BC" will look at proposals.

Free Press (Fernie), 01/28/03, Matthew Claxton.

The Province, 05/05/03, A6, Kent Spencer.

Canadian Press Newswire, 05/04/03.

Broadcast News, 01/28/03.

CONTRACTING OUT

The BC liberals' brutal dismantling of the public health system has led to the elimination of nearly 3,000 health care workers' jobs over the last 18 months. Another 6,000 health care workers will likely lose their jobs by mid-2004 as a result of facility closures, service reduction and privatization of support services.

HEU, 07/30/03, News Release, www.heu.org.

Vancouver Coastal Health Authority (VCHA) announced a 5-year cleaning contract with Aramark Canada Ltd, and hands 850 layoff notices to unionized workers in Vancouver Hospitals. Workers earning half as much and without adequate skills or training will now be responsible for cleaning and infection control in operating rooms, intensive care units and other highly specialized settings.

Vancouver Sun, 31/07/03, Pamela Fayerman and Greg Mercer.

Vancouver Island Health Authority (VIHA) is also on a privatization spree when it comes to support services. Privatization of housekeeping services at Cowichan District and Cairnsmore Place puts 33 full time jobs at risk. A request for proposals (RFP) has been issued to privatize housekeeping in several other major hospitals in the area as well. An RFP was issued to privatize patient food production and distribution at a number of facilities a month earlier.

Cowichan Valley Citizen, 13/07/03, Andrew Costa.

The Vancouver Coastal Health Authority's privatization spree will result in the layoffs of hundreds of front line health care workers in a number of facilities – mostly women. Hospital support services including food services and hospital cleaning in sensitive areas such as intensive care units, special care nurseries and operating rooms will be contracted out to private companies that will hire inexperienced workers at 50% of the wages of public sector workers.

News Releases, 05/30/2003 and May 27, 2003,
Hospital Employees' Union, (www.heu.org).

More layoffs in yet another round of privatization, this time the Vancouver Coastal Health Authority signs a 10-year contract for the transfer of laundry responsibility for Lions' Gate and Vancouver Hospitals to American owned K-Bro Linen Systems. Another 47 workers will be laid off.

News Releases, 06/03/2003, Hospital Employees' Union, (www.heu.org).

Unprecedented Bill 29 overrides collective agreements by permitting ongoing contracting out and privatization of health service delivery. Thousands of jobs lost already. More to come.

Bill 29: Health and Social Services Delivery Improvement Act, Honorable Graham Bruce, Minister of Skills Development and Labour. Passed at Third Reading, 2001. Legislative Session: 2nd Session, 37th Parliament, January 27, 2002.

The Province, 04/15/03, A6, BC Briefing.

Vancouver Sun, 04/15/03, B1 Front, David Hogban.

Vancouver Sun, 06/07/03, G4, Business in BC.

Daily News (Nanaimo), 06/06/03, A9, In Brief.

Vancouver Island Health Authority seeking tenders from the private sector for food services and considering privatizing housekeeping at several facilities.

Times Colonist (Victoria), 06/11/03, A3, Jeff Bell.

Interior Health Authority to privatize food services through centralized kitchen in Vernon.

Trail Daily Times, 02/21/03, 1/Front, Lana Rodlie.

Fraser Health Authority privatizes and centralizes laundry services. Laundry is now being trucked to Alberta.

Food services and Housekeeping at BC Children's Hospital and Women's Health Centre privatized.

The Daily News (Kamloops), 05/29/03, A1/Front, Cam Fortems.

Vancouver Sun, 05/28/03, B2.

PRIVATE FACILITIES AND SERVICES: TWO-TIER HEALTH CARE

Health Canada charges BC government for allowing a well-known private clinic, (False Creek Surgical Centre) to charge user fees for medically necessary services. This fundamental breach of the Canada Health Act cost the province a minimal \$4,610 of its share of the Canada Health and Social Transfer.

The Province, 06/27/03, A27, Don Harrison.

The Globe and Mail, 06/27/2003.

Patients who can afford to will be able to pay for MRI or CT scans at private clinics and in Abbotsford as of mid-December, 2003. Canadian Health Scan, a for-profit company, will allow patients to obtain results before the rest of the population and thus to jump the queue for treatment in the public system. Neither the director of Medical Imaging Services for the Fraser Health Authority, nor the Canadian Association of Radiologists supports the proliferation of private CT scan clinics in Canada.

Abbotsford News, 11/20/2003, "Two-tier health system is here": Lutton".

A group of 14 radiologists is setting up The Fraser Valley MRI Clinic. The radiologists will rotate between this new private clinic and the public hospitals where they currently work. Instead of improving access to MRIs for the whole community, the general public will continue to wait while those who can afford to pay will be able to obtain services right away.

Abbotsford News, 11/22/2003, "Add Private MRI to Medical Mix".

Saint Mary's hospital plans to sell surgical and other services, but retain its status as a public, not-for-profit hospital. Huge budget cuts by the provincial government have forced administrators to look at new ways to generate funding and keep the hospital open. Now 50 or 60% of revenue will come from private insurers – up from about 10%. Using the public facilities to provide non-medically necessary procedures, as well as providing health services for high-class executive, is being considered. The hospital is also looking at providing expedited surgery for those covered under the Workers' Compensation Board and others not covered under the Canada Health Act.

Private providers would be able to lease the facilities to make a profit. This means that the hours that the hospital can provide its regular non-profit functions will be curtailed, and long wait lists for publicly insured services would become even longer.

Vancouver Sun, 09/24/2003, "St. Mary's Hospital to sell surgical services," Pamela Fayerman.

B.C. government in negotiations with U.S.-based multinational Baxter International Ltd. will provide treatment for kidney disease and kidney dialysis in the Fraser Valley Health Region.

HEU News Release, 03/24/03, "Nurses Demand Halt to Talks with US Health Giant Linked to Patient Deaths", www.UnofficialOpposition.com, (4/25/2003).

Cambia Surgery Centre (a for-profit clinic) in Vancouver continues to operate by invoicing third party payers (relatives or companies).

Calgary Herald, 03/14/03, A6, David Heynan.

The Vancouver Coastal Health Authority plans to contract out thousands of surgeries to private clinics. Other health authorities may follow suit.

Vancouver Sun, 06/11/03, A1/Front, Judith Lavoie

The Province, 06/11/03, A3.

The Province, 06/12/03, A8, John Birmingham.

Patient pays \$6,000 for sinus surgery at private clinic to jump surgery line at False Creek Surgical Centre.

Vancouver Sun, 03/26/03, A1/Front, Pamela Fayerman.

In Vancouver a patient can buy a Positive Emission Tomography (PET) scan, which can monitor and detect heart problems. More than 1,100 patients have paid \$2,500 to be scanned.

Edmonton Journal, 03/16/03, D8.

Vancouver Sun, 03/22/03, B6, Joanne Laucius.

Vancouver Sun, 06/12/03, B1/Front, Pamela Fayerman

OTHER

Increase in for-profit Retirement Homes and Assisted Living arrangements. BC's Interior Health Authority plans to move the Penticton and District Retirement Centre into a facility privately run by the Good Samaritan Society in the next year.

Penticton Herald, 02/05/2003, A3, Joyce Langerak.

Private payment for drugs is increasing as BC government increases deductibles and de-lists drugs from provincial drug plan (anabolic steroids, anti-fungal creams, drugs for incontinence).

Coquitlam Now, 03/12/03, p.13, Elaine Gordon.

Sylvia Fuller, Canadian Centre for Policy Alternatives, "Fair Pharmacare? A Backgrounder on the government's changes to BC's pharmacare program," April 2003.

ALBERTA

2004

PRIVATE FOR-PROFIT HOSPITALS

The Southlink Health Centre, a new multi-service diagnostic and treatment facility, will be built using a public private partnership. It is scheduled to open in June. The new private hospital deal is valued at \$400 million.

Calgary Herald, "Health Centre Expected to cut ER wait times,"
Monday January 19, 2004, B#, Sarah Chapman.

CP Wire "Alberta considers more private-public health, education projects: official",
Wed. February 11th, 2004, National General News. <http://www.crha-health.ab.ca>
(02/12/2004).

PRIVATE FACILITIES AND SERVICES: TWO TIER HEALTH CARE

Premier Ralph Klein wants flexibility in the Canada Health Act so that he can charge patients for upgraded medically necessary services at new private clinics in Calgary and Edmonton. A proposed bone and joint centre and a proposed cardiac centre would be great ways to use our expertise to raise money, says the premier of Canada's richest province. He also said he would support the Capital Health Region if they want to build a hotel near the hospital for patients who want to pay extra for luxury accommodations while waiting for or recovering from surgery.

Edmonton Journal, "Private Health – 'So What?'" Friday March 26, 2004,
A1/Front, Kelly Cryderman.

Premier Ralph Klein threatens two-tier health care, considering such things are user fees, delisting medical procedures or charging a deductible for doctor visits. Says he wants to scale down Medicare to a more basic critical services program and have the private sector deliver less important treatment procedures. He says he will come up with a five-point plan for "tough" reform.

Grand Prairie Daily Herald-Tribune, "Another Bill 11 Battle on the Horizon?" Tuesday
March 16, 2004, p. 6, Darcy Henton, Canadian Press.

Broadcast News, "Premier Ralph Klein has announced a five-point plan to decide on
a set of tough measures to reform Alberta's health care system,"
Wednesday March 17, 2004.

Winnipeg Free Press, Monday Feb 23, 2004, "TITLE?" A3

Vancouver Sun, Tuesday Feb 24, 2004, "TITLE?" A1 Front, Jeff Lee

Devonshire Care Centre, 120 LTC Facility – A private company called Summit Care Corporation is responsible for financing, planning, building and managing the facility under a 30 year contract with the Capital Health Authority.

Summit Care/ Devonshire Village website
(<http://www.devonshirevillage.com/service.html>).

Capital Health Authority Website

Qc. Treasury board Doc

2003

In the past year, Alberta's Health minister Gary Mar has revealed plans to join forces with the private sector in all aspects of health care over the long term. RFPs have been issued by the Calgary Health Region for privatization of all aspects of the city's health system.

The Daily Courier (Kelowna), 01/10/03, A5.

The Times-Herald (Moose Jaw), 01/03/03, 6, CP.

Calgary Sun, 01/04/03, 18, CP.

PRIVATE FOR-PROFIT HOSPITALS

Calgary Health Region announces to the press that they are prepared to enter into a deal with the private sector to build a new hospital. Calgary Health Region seeks private sector bids to build a \$25 million parkade at Foothills Hospital and is looking into P3s to build a new \$200-300 million hospital in the city. The land has been purchased and requests for proposals have been issued.

Calgary Herald, 05/10/03, B3, David Heyman.

Edmonton Journal, 01/13/03, A6, David Heyman.

Calgary Herald, 01/13/03, A1/Front, David Heyman.

New private, for-profit hospitals are proposed for Edmonton. They will likely do work now done in public hospitals. Primary health care teams and other reforms have potential to improve the health care delivery, but the hospitals also risk being "taken over by U.S.-style, corporate health management organizations."

The Edmonton Journal, 11/10/2003, "One-stop shopping for health care lauded," Rick Pedersen, A6.

Three new P3s in Edmonton: Edmonton Health Authority announced plans to develop 3 new PPP hospital projects. The deadline for business proposals is January 20th, 2003.

Canadian Press Newswire, 01/04/03, Edmonton.

Peace Country Health has been given the green light to pursue proposals for private funding to be used to upgrade and renovate community health care facilities. Locations include the Queen Elizabeth II hospital and replacement of the acute care wing of the High Prairie Hospital in Grande Prairie.

Fort McMurray Today, 11/10/2003, "P3s in the works for Peace Health region," Debi Ruhl (Grande Prairie Herald-tribune), 5.

CONTRACTING OUT

Edmonton's Capital Health has awarded a multi-million dollar ambulance contract to a private company. More than 40 paramedics could lose their jobs as their current deal through Emergency Medical Services expired in January 2004.

The Edmonton Sun, 08/27/03, Keith Bradford.

The Edmonton Sun, 09/05/2003, "Private contract puts jobs of paramedics on the line," Keith Bradford.

The Calgary Health Region (CHR) adds a common cancer detecting diagnostic procedure to the list of medical services to be contracted out to the private sector. A request for expressions of interest in setting up private clinics to perform endoscopies has been issued. Negotiations are underway with a for-profit company, Health Resource Centre, who already provide a number of private procedures. The CHR is also planning to build a private hospital in the form of a public private partnership in Calgary's deep south.

The Calgary Herald, 13/07/03, David Heyman.

David Tuer, chair of the Calgary Health Region, suggests private surgical clinics for out-of-towners (non-Canadian tourists) and instituting health premiums based on how often people use the system, among other measures to raise money to address the health region's financial deficit. Health Minister Gary Mar sees merit in the proposals.

The Sault Star, (source: Calgary Herald, Calgary Sun), 07/07/03, B9.

The Edmonton Journal, 07/07/03, B1 Front.

PRIVATE FACILITIES AND SERVICES: TWO-TIER CARE

The Alberta government increased the accommodation fee for seniors in long term care facilities to \$40/day from 28\$. What is essentially a 42.9% rent increase has been brought in by the Tories to increase the profit of Extencicare. The private, for-profit company has a monopoly over long term care facilities in the province. The new money will not go to cover health care costs but will go to profits. Extencicare benefited in the same way from Ontario's increased funding for long-term care services, without improving access to care.

Fast Forward Weekly, 11/13/2003, "Nursing home user fees linked to private profits," Tom Babin, 4.

Ontario Man buys CT scan at private Calgary clinic.

Edmonton Journal, 03/16/03, D8.

Vancouver Sun, 03/22/03, B6, Joanne Laucius.

Private Clinic to do major surgery. Health Resource Center (HRC), a for-profit surgical clinic in Calgary, continues to operate providing health services to third party payers.

Globe and Mail, 09/14/02, Brian Laghi and Dawn Walton.

Calgary Herald, 03/14/13, A6, David Heynan.

Alberta's "expert panel on de-listing" established by the Mazankowski Report. Council considers de-listing and cost-sharing for chiropractic care, reduces eye exams for children to one every two years.

Edmonton Journal, 03/16/03, A6, Tom Olsen.

Calgary Herald, 03/16/03, A10, Tom Olsen.

The Leader-Post (Regina), 03/08/03, B7, Graham Thomson.

Edmonton Journal, 03/06/03, A1/Front, Graham Thomson.

Medical Post, 01/21/03, Barbara Kermod-Scott, Vol 39, No. 3.

Edmonton Journal, 01/07/03, A1/Front, Tom Olsen.

Two tier access in Edmonton. Nurse jumps queue by paying for MRI.

Edmonton Journal, 12/09/02, Susan Ruttan.

On January 8, 2003, patient jumps 8-month queue by paying for MRI.

Edmonton Journal, 09/01/03, B3, Don Thomas.

Negotiations underway for private funding of Youville long-term care projects in Edmonton. The 100-bed long-term care facility will be built by Citadel – a private company that operates several other seniors' facilities in Edmonton.

St. Albert Gazette, 02/19/03, 1/Front, Glenna Hanley.

OTHER/TRADE

Calgary Health Region is looking to export its expertise to the UK health system by joining a multi-national bidding consortium called Anglo-Canadian Clinics. The consortium was chosen as the preferred bidder to provide management and health services in three outpatient surgical centres in London. So far the consortium is comprised of UK investors and Calgary-based Surgical Centres Inc.

Calgary Herald, "CHR Ponders Role in U.K. bid," September 13, 2003, B3, Tarina White.

SASKATCHEWAN

2004

The Muskeg Lake First Nation is proceeding with plans for its own Magnetic Resonance Imaging (MRI) clinic in Saskatoon, despite government objections. The band's business advisor, Lester Lafond, says the province rejected the plan, but he says it is going ahead anyway, with or without government support. Lafond says the new service would fill a need in Saskatchewan. But the Ministry of Health is funding a new MRI facility for Regina, which will increase the province's capacity by about 50 per cent. He says the issue is not only with acquiring the actual MRI machine, but also with finding qualified technicians.

SASK.CBC.CA, News "First Nation considers private MRI clinic"
Last Updated: Apr 5 2004 03:53 PM CDT

Former NDP Finance Minister Janice McKinnon recommends looking at health care user fees to address rising costs. Premier Lorne Calvert has rejected the argument that health spending is out of control.

The Star Phoenix (Saskatoon), 11/15/2003, "Keep open mind to health-care user fees" McKinnon, Lana Haight, B10

Health Edition, 11/28/2003, Volume 7 Issue 46, www.healthedition.com
Creeping privatization through changes to personal care home legislation allowing unlimited number of beds in homes, in conjunction with a decline in the number of publicly funded beds, results in the expansion of for-profit personal care homes for level 1 & 2 care.

Presentation to CUPE Health Care Conference, 02/06/03, Ottawa, ("Personal Care Homes: The Privatization of Health Care in Saskatchewan").

Broadcast News, 12/05/02, "Yorktown, Saskatchewan – A private personal care home raising questions at a public sector union".

Privatization of food services in Regina Qu'Appelle region. Services to be centralized and rethermalized food to be served.

The Leader-Post (Regina), 06/14/03, D10, Neil Scott.

MANITOBA

As the head of Winnipeg Regional Health Authority looks to the private sector for help with financing, Premier Gary Doer says private sector funding for the health care system is fine with him, as long as there are enough workers available to make it run.

CBC News Winnipeg, 11/14/2003, "Private sector should support public health: WRHA".

Maples Surgical Centre is a functioning private surgical clinic in Winnipeg. They provide both cosmetic and other potentially non-elective surgeries, from orthopedic to cataract surgery. The clinic has been unable to secure a contract with government to provide insured services.

Winnipeg Free Press, 05/06/03, A5.

Maples Surgical Centre, Winnipeg, MB. www.nationalsurgery.com (05/24/03).

ONTARIO

2004

PRIVATE FOR-PROFIT HOSPITALS

On April 8, Ontario's Liberal government released the report of an independent study led by Michael Decter. The report recommends streamlining the way hospitals are

bankrolled, embracing privately funded hospitals. The ministry of health is reviewing the recommendations to forge ahead with public private partnerships as the model for funding all new hospitals.

The Toronto Star, "More P3 schemes possible: Liberals," April 9, 2004, Richard Brennan and Robert Benzie (web version).

Capital Health Planning Review, January 16, 2004, <http://www.pir.gov.on.ca/>

Ontario Government News Release, April 8, 2004, Ministry of Public Infrastructure Renewal, <http://www.pir.gov.on.ca/>.

2003

PRIVATE FOR-PROFIT HOSPITALS

The Royal Ottawa Hospital will be the first public-private partnership in Ontario after all. Despite an election promise to scrap the P3 deal and build the hospital publicly, the Liberal government announced on November 21st that the deal would go ahead. The previous government's plans for both the Royal Ottawa and the William Osler Hospital in Brampton will go ahead virtually unchanged.

In the only minor change to the deal, the public will now pay a mortgage for the facility with the private consortium acting as the bank, instead of the lease-back arrangement that was originally planned. The hospital will be built with private funds and the companies' profits will come off the top of the hospital's operating budget. The public sector will own the hospital once the contract is over left with an aged building that will be in need of finances for repair and renewal. The finer print details remain hidden from public scrutiny.

The Ottawa Citizen, 11/22/2003, "Spin on new ROH deal an insult," Randall Denley, F1

The Toronto Star, 11/22/2003, "P3 hospitals, Morain house to go ahead", Valerie Lawton and Mike Funston, A1.

The Eves government has announced that Ontario's first private hospital deal has been signed. The Royal Ottawa Hospital will be built, owned and operated under a controversial P3 arrangement. The province will lease the hospital back from the private company, making it more expensive for the public purse over the long run. Cabinet has approved the Health Care Infrastructure Company of Canada's \$100 million proposal. The same company's \$350 million proposal was selected to build, manage and operate the William Osler Hospital in Brampton. A series of agreements dealing with everything from how services are run to building permits and ground leases still have to be negotiated. The Ontario Tories are intent on getting the deal signed and sealed before the October 2nd, provincial election.

Ottawa Citizen, 09/09/03, Mohammed Adam, B1/Front.

The Board of Toronto's Centre for Addiction and Mental Health is considering a P3 to finance a plan to amalgamate four treatment sites with encouragement from the provincial health ministry.

Toronto Star, 07/10/2003, Theresa Boyle.

It is rumored that the Sudbury Hospital is a candidate for a public private partnership (P3). The Uxbridge site of Markham Stouffville hospital will be a P3 and potentially 15 other hospital sites across Ontario.

The Sudbury Star, 05/23/2003, Jason Simac.

The Pulse, July 2003, Ontario Health Coalition Newsletter.

The Toronto Star, 04/12/2003, E1, Theresa Boyle.

(Date) Ontario announces P3 Hospital for Lakeridge Health Corporation (Markham/Stouffville/Uxbridge). Eight for-profit clinics are also underway.

National Post, 02/18/2003, A4, Tom Arnold.

Uxbridge Times, 04/25/03, p.1.

Uxbridge Times, 05/21/03, p.1, Carly Foster.

The William Osler Health Centre selected a preferred bidder. The Health Infrastructure Company of Canada is the consortium that has been selected to build, own and operate the new hospital in Brampton under a P3 arrangement. Construction is scheduled to begin in the next couple of months.

The corporate consortium consists of 3 companies:

Borealis Infrastructure Management Inc.,

Carillion Canada Inc.,

The Ellis Don Construction firm.

William Osler Health Centre, News Release, 05/12/03, www.williamoslerhrc.on.ca/.

Press Release, "Brampton hospital announces potential corporate owners," Canadian Union of Public Employees, www.cupe.ca/www/57/OslerP3/, (05/20/03).

Timmins and District Hospital seeks private partners for a new Medical, Educational and Dialysis centre.

The Daily Press (Timmins), 01/24/03, Joyce Hunter.

December 2002, RFP for public private partnership at Royal Ottawa Hospital released.

Royal Ottawa Health Care Group, Press Release, 12/13/02.

November 2002, RFP for public private partnership hospital at William Osler Health Centre in Brampton.

Government of Ontario Press Releases, 11/30/02,
<http://www.newswire.ca/government/Ontario> (05/22/03).

William Osler Health Centre, Press Release, Canada Newswire, 10/17/02.

PRIVATE FACILITIES AND SERVICES: TWO-TIER HEALTH CARE

A Private CT scanner clinic is to open in Thunder Bay. The same radiologists, who will own and staff the private clinic, currently work at Thunder Bay Regional Hospital.

Kenora Daily and Miner News, 11/04/2003, "Private Scanner Still a Go", A2.

Private clinics don't shorten waiting lists; they make them longer by poaching staff from the public sector. KMH Cardiology and Diagnostic centre located in Kitchener, is Ontario's first of seven privately run MRI clinics to open this summer. KMH hired its first technologist by taking her away from a public hospital in Windsor. Kingston's private MRI clinic, Kingston MRI, has also lured a full time technologist away from the public sector. She was previously working at Kingston General Hospital.

The Kingston Whig-Standard, 01/08/03, A1/front, Sarah Hammond.

The Toronto Star, 30/07/03, A20, Editorial.

Patients pay \$2,500 for membership in North York medical practice where "personalized health planning" includes timely access to care and shorter waits for MRI scans.

The Globe and Mail, Margaret Wente, June 17, 2003.

In January, 2003, 107 bids by 43 corporations submitted to the Ontario Ministry of Health offices to run 20 for-profit MRI clinics and 5 CT scan clinics. By the end of the summer, selected companies will be providing private for-profit MIR Scans in Kingston, Kitchener, and Thunder Bay.

Typically, the clinics will be open for OHIP billable services 35-40 hours/week and the machines will be used to service customers with private insurance and Worker's Compensation Board claims in the off hours. The limited hours of services for the public system means claims that these clinics will shorten waiting lists are unlikely to be realized. Concerns about poaching staff from hospitals and from public not-for-profit providers are well founded. Especially considering a \$10,000 bonus offered by the Kitchener private MRI providers to attract radiologists.

Toronto Star, 01/08/03, AO6, Carolyn Mallan.

Daily Miner and News, 03/27/2003, A2.

Metroland Paper, 03/21/2003, 8, Lynn Rees Lambert.

Kingston-Whig Standard, 06/25/2003, 7.

The Observer (Sarnia), 03/26/2003, 1/Front.

Toronto Star, 04/12/2003, E1, Theresa Boyle.

Belleville-based Quinte MRI vows to open private MRI clinic in next two years.

Ottawa Citizen, 01/05/03, A8, Trish Audette.

Bids close for companies to operate CT scanner in Brantford. Race is over for companies to set up private clinic. A private CT scanner is expected to be up and running in Brantford by March. The CT scan clinic will be privately owned and operated in Brantford, despite a clear need for a CT scanning machine in nearby Simcoe.

The Expositor (Brantford), 01/09/03, A8.

Four corporations win right to open publicly funded, private for-profit MRI and CAT scan clinics. The four corporations are: DC Diagnosticare, Kingston MRI Inc., Superior Imaging, and KMH Cardiology and Diagnostic center.

Canadian Press Newswire, 02/21/03, Andrea Baillie.

Kingston is one site announced to receive a new privately run MRI clinic this spring. Other services have been licensed in Vaughan, Kitchener, Ajax and Mississauga.

Brockville Recorder and Times, 02/25/03, A1, Mark Calder.

Ontario continues to privatize home care services through the competitive bidding model, driving not-for-profit providers out of business in several areas (Kingston, Guelph, etc.).

The Guelph Tribune, 03/21/03, p.8, Virginia McDonald.

New long-term care beds continue to be privatized.

Ottawa Citizen, 04/16/03, C7.

The Dunville Chronicle, 03/05/03, 1/Front, Karen Best.

City of Hamilton calls for management proposals to run the Wentworth Lodge, a municipal long-term care facility. The proposals include privatization of the Lodge.

Ancaster News, 04/30/03, p. 36, Craig Campbell.

Ontario government closes private for-profit cancer clinic at Sunnybrook hospital. It failed to prove that health care could be provided more efficiently and effectively and at a lower cost in a private, for-profit facility, as Premier Mike Harris claimed it would.

London Free Press, 02/26/03.

Toronto Star, 12/04/03, A23, Karen Palmer and Vanessa Lu.

The Record (Toronto Star News Service), 03/03/03, A7, Ian Urquhart.

Private Positron Emission Tomography (PET) clinic opens in Mississauga.

Toronto Star, 03/13/03/, B4, Melissa Leong.

National Post, 03/12/03, A17.

Medical Post, 04/08/03, David Hodges, Vol. 39, No. 14.

Medical Post, 03/25/03, Andrew Skelly, Vol. 39, No. 12.

Canada Newswire, 03/11/03.

Health Canada orders private clinic providing cancer diagnoses for \$2,500 each to suspend services. The PET company (Care Imaging) was approved to offer fee for service tests using equipment specifically for patients with heart problems – not cancer patients.

Sault Star, 03/25/03, B3, Source: Canadian Press.

QUÉBEC

2004

PRIVATE FOR-PROFIT HOSPITALS

In an interview with Le Devoir, Premier Jean Charest indicated that his government is looking to the private sector to build, maintain and manage Montréal's two new super hospitals. Treasury Board President Monique Jérôme Forget will table a major policy paper on greater involvement of the private sector in areas formerly run by the public sector soon. More information about the Québec government's perspective on "Public Private Business Partnerships" (PPBP) can be obtained at:

http://www.tresor.gouv.qc.ca/marche/partenariats/engl_bpartnerships.htm

April 8, 2004 "Health Edition: Canada's Health Newsweekly",
Vol 8. no. 14 2003, Merk Frosst Canada & co.

The Québec government is looking at building 2 new super hospitals in Montréal. Public funding for the projects has been capped at \$800 million for each project. The remaining costs (minimum \$200 million) will come from the private sector. Premier Jean Charest appointed ex-Conservative Prime Minister Brian Mulroney and former Québec Premier Daniel Johnson, at \$1000 each per day, to head-up a commission to examine the new hospital projects. Charest expects detailed plans by mid-December and a full report by February 27th, 2004.

Broadcast News, 11/03/2003.

Québec Treasury Board President announces the government to be looking at public private partnerships to finance, build and operate two expensive, state-of-the-art super hospitals in Montréal, Québec. Treasury Board President Monique Jérôme-Forget said the McGill University Health Centre and the Centre Hospitalier de l'Université de Montréal projects are ideal candidates for the kind of public private partnerships the new Liberal government wants to make common place. During the recent election campaign, the liberals shared their vision of contracted out hospital laundry, cleaning and food – cutting corners on support services will be just the beginning of cutbacks on quality in a P3 hospital.

Montreal Gazette, 14/06/03, A1 Front.

www.cupe.ca, 23/07/03.

www.healthedition.com, 11/07/03.

CONTRACTING OUT

Bill 31 makes changes to the Quebec Labour Code that encourages contracting out. It removes job protection provisions when work is contracted out, and renders public sector workers' collective agreements null and void if they are hired to "follow the work".

Bill 31 changes Section 45 of the Code to make it easier for public and private employers to contract out or to subcontract union work.

National Assembly, 1st session, 37th legislature, "Bill 31: An Act to amend the Labour Code", Dec. 18, 2003.

<http://www.publicationsduquebec.gouv.qc.ca>

Québec Health Minister Phillippe Couillard is planning a major reorganization of the health system. One of the key changes will be an increase in contracting out of services. These include but are not limited to long-term care, food, administration, laundry and cleaning. These services are to be contracted out when they can be delivered by the private sector at lower cost.

The Montreal Gazette, 10/08/2003, "Health minister promises bigger private sector role, fewer unions," Hubert Bauch.

FOR PROFIT CLINICS AND SERVICES: TWO-TIER CARE

LDS Diagnostic Services has several clinics in affluent neighbourhoods in Montreal, serving patients with private insurance or who are willing to pay out of pocket to jump the public queue. The private clinic draws from a limited pool of qualified staff, worsening staff shortages in the public system.

Montreal Gazette, 09/15/2003, Peter Diekmeyer

WCB supports private health care, skirts waiting lists by queue-jumping its clients ahead of other Quebecers. In March of 2003, then Minister of Health François Legault admitted that the Québec Comité de Sécurité de travail (CSST), the provincial worker's compensation board, refers clients to the private sector. Access to information requests revealed dozens of contracts with private health care providers.

Montreal Gazette, 05/12/03, A18.

For-profit diagnostic clinics continue to operate.

National Post, 05/09/03, FP2, Briefing.

Montreal Gazette, 05/06/03, A6.

Montreal Gazette, 03/27, 2003, A2, Allison Hanes.

NEW BRUNSWICK

PRIVATE-FOR PROFIT HOSPITALS

Premier Lord favours private companies to own and operate hospitals. Considering public private partnerships for new hospitals.

National Post, Canadian Press, 01/03/2003, Richard Foot and Charlie Gillis.

Canadian Press Newswire, 05/18/03.

NOVA SCOTIA

FOR PROFIT FACILITIES AND SERVICES: TWO-TIER CARE

Nova Scotia's first private MRI clinic officially opens its doors six months after the for-profit company, Canadian Diagnostic Services, received its first patient in the facility. It is the third private MRI clinic in the region.

A fourth is scheduled to open later this year in Cape Breton.

A for-profit MRI clinic in Halifax, operated by Canadian diagnostics Centre, continues to operate outside of the Canada Health Act.

The Halifax Daily News, 01/14/2003, p.6, Peter Mclaughlin.

Military skips MRI queue using new private clinic.

The Western Star Corner Brook, 11/29/03, p.7.

Halifax Daily News, 11/28/03, p.6.

A patient purchased services from MRI Canada, a for-profit MRI provider, allowing him to jump the queue for treatment.

The Telegram (St. John's), 03/13/03, A1/Front, Will Hilliard.

NEWFOUNDLAND AND LABRADOR

FOR-PROFIT FACILITIES AND SERVICES: TWO TIER CARE

Premier Grimes and Newfoundland and Labrador Government considering a P3 deal for a long-term care facility in Corner Brook. Call for expressions of interest on hold for the moment.

The Western Star (Corner Brook), 05/10/2003, p.3, Gary Kean.

The Telegram (St. John's), 03/28/2003, A3, Michael Connors.

The Telegram (St. John's), 04/08/03, A4, Barb Sweet.

Premier Grimes opting for a straightforward privatization rather than a P3 for the LTC facility. May 24th deadline for requests for expressions of interest.

CUPE meeting with Premier Grimes, May 20, 2003.

A private, for-profit mobile MRI service is under consideration for Corner Brook and region.

The Western Star (Corner Brook), 05/22/03, p.3.

NUNAVUT

CONTRACTING-OUT

Sodexo partners with Piruqsajit Ltd. (the largest group of privately owned Inuit development corporations) to provide food management, administration and housekeeping. Sodexo readily admits the deal sets the stage for Sodexo to propose that it provide services for Nunavut health care services.

Nunatsiaq News, 04/18/03, Charlotte Petrie.

Know about other instances of privatization in the health care sector? Please send tips and/or sources to:

Corina Crawley
Research Assistant, Health Care
National Office
ccrawley@cupe.ca
(613) 237-1590