

AFTER THE CHAOULLI JUDGEMENT, WHAT'S NEXT ?

December 6, 2007

Lunch on the Frontier presentation
in Winnipeg

THE DEMAND

- In Canada, in 1998, over \$ G 12 is due to lost productivity associated musculoskeletal disorders with long term disability, making the single greatest cause of lost productivity for employers.

● On March 2006, the Quebec Federation of chambers of Commerce, representing 57 000 employers of all size, declared that:

1. They would save money from purchasing group health insurance plans covering services medically required.

2. The reduction in the duration of sick leaves could reduce the cost of disability insurance shouldered by employers.

- On September 2007, the same Federation of employers went further, declaring :
 - « The value of ONE working day lost, due to the lack of access to private healthcare in the province of Quebec, is \$ 90 million, in terms of loss of productivity for employers. »

- **In Quebec, 75 % of small and medium size businesses wish to use private insurance to secure a fast access to private healthcare services. ***

*** Canadian Federation of Independent Business, Survey 2006.**

HOW THINGS ARE GOING TO MOVE

- IN QUEBEC ALONE :
- 2.2 MILLION EMPLOYEES ARE ALREADY HOLDING GROUP INSURANCE FOR EXTENDED HEALTH CARE.
- 0.9 MILLION OF THEM, UNDER LARGE LABOUR UNIONS, WHO SHALL NOT BE INVOLVED, TO START WITH, BUT SHALL BE WILLING TO JOIN LATER ON.
- AN ADDITIONAL 0.5 MILLION ARE SELF-EMPLOYED WORKERS .
- THAT REPRESENTS AN INITIAL QUEBEC MARKET OF (2.2-0.9) + 0.5 = 1.8 MILLION EMPLOYEES.

IN CANADA

- 2.35 MILLION ARE SELF-EMPLOYED WORKERS (1).
- 7.7 MILLION ARE EMPLOYEES ALREADY HOLDING EXTENDED HEALTH CARE INSURANCE GROUP (2).
- 3.1 MILLION ARE EMPLOYEES UNDER THE RULE OF THE CANADIAN LABOUR CONGRESS (3).

(1) Statistics Canada, 2002.

(2) Health Benefits 2004.

(3) Human Resources and Social Development Canada, 2006.

- **SOME LARGE EMPLOYERS ARE AFRAID TO BE ASKED, BY LARGE LABOUR UNIONS, TO PAY MORE FOR NEW GROUP INSURANCE PLANS.**
- **FROM THE DECISION OF QUEBEC EMPLOYERS TO GO AHEAD, EXPECT A SNOW BALL EFFECT, POSITIVE FOR EMPLOYERS OF ALL SIZE, GOVERNMENTS AND PATIENTS.**

QUEBEC AUTOMOBILE INSURANCE ASSOCIATION (SAAQ)

- An insurer privately financed by drivers.
- An insurer ruled by the Quebec government.
- The president declared, for year 2006, \$ 100 million in savings from paying physicians enrolled into Medicare, particularly for surgical procedures.

QUEBEC STATUTE ON WORKERS COMPENSATION BOARD (CSST)

- "The Commission and the **Minister of Health and Social Services** shall make a standard agreement concerning all or part of **care and treatment** provided by the institutions (...) and **shall specify (...) the time within which they must be provided by the institutions**" *.

* *An Act respecting industrial accidents and occupational diseases*, R.S.Q., chapter A-3.001, section 195.

- In 2004, in Quebec alone, Extended Health Care for Group amounted to 1.5 G \$ in direct premiums written.
- A large part of Extended Health Care are not what employers need in order to get their employees back to work earlier.

● **Extended Health Care includes :**

- **Audiologist**
- **Chiropractor**
- **Naturopath**
- **Speech therapist**
- **Osteopath**
- **Podiatrist and chiropodist**
- **Psychologist**
- **and more...**

PRIVATE HEALTH EXPENDITURES FOR HEALTH PROFESSIONALS, CIHI, 2006

(\$'000,000)

Physicians

Other professionals

| | | |
|--------------------|-----------------|--------------|
| Quebec | 75.8 | 2,873.7 |
| Saskatchewan | 1.3 | 341.9 |
| Manitoba | 8.1 | 480.6 |
| Alberta | 33.8 | 1,764.8 |
| B.C. | 44.0 | 2,425.0 |
| Ontario | 99.3 | 6,378.5 |
| CANADA | 270.8 | 15,044.2 |

OUT-OF-POCKET PAYMENTS IN % OF TOTAL HEALTH CARE EXPENDITURES (W.H.O., 2005)



| | |
|-----------------------|--------|
| ● CANADA | 15.3 % |
| ● UNITED-STATES | 14.8 % |
| ● SWEDEN | 14.8 % |
| ● NORWAY | 14.0 % |
| ● IRELAND | 13.3 % |
| ● GERMANY | 10.6 % |
| ● FRANCE | 10.2 % |
| ● U.K. | 9.9 % |
| ● NETHERLANDS | 8.8 % |

WHAT ABOUT A SO-CALLED « SHORTAGE » OF HEALTH PROFESSIONALS ?

● RATIOS OF PRACTICING PHYSICIANS PER 1000 POPULATION *:

Canada 2.2

New-Zealand 2.2

Japan 2.0

* OECD, 2005

● **IN QUEBEC, FROM 2002 TO 2006, IN AVERAGE ***

● **GPs WORK 4 HOURS LESS PER WEEK.**

● **SPECIALISTS WORK 7 HOURS LESS PER WEEK.**

* **Official Report from the « Collège des médecins du Québec », 2007.**

NUMBER OF QUALIFIED NURSES PER 1 000 PEOPLE IN 2004 *

| | |
|--------------------------------|-----|
| ● CANADA | 10 |
| ● OECD countries average | 8.6 |

* OECD, Health Data 2007

● In 2005, in Canada, 28 060 part-time nurses would rather be working full-time. *

* Canadian Institute for Health Information (CIHI).

QUEBEC LEGAL FRAMEWORK AFTER THE CHAOULLI JUDGMENT

- **THE CANADIAN SUPREME COURT INVALIDATED THE BAN ON PRIVATE INSURANCE COVERING SERVICES ALREADY COVERED UNDER MEDICARE.**
- **THE QUEBEC GOVERNMENT OFFICIALLY RENOUNCED TO INVOKE THE NOTWITHSTANDING CLAUSE.**

● **THE CURRENT OVERALL QUEBEC
REGULATORY FRAMEWORK
ALLOWS FOR NEW BUSINESS IN
QUEBEC, SHOWING THE WAY FOR
THE REST OF CANADA.**

**HOW USEFUL IS THE
CHAOULLI JUDGMENT FOR
OTHER PROVINCES LIKE
MANITOBA AND
SASKATCHEWAN ?**