



Policy Solutions for Ontario's Prosperity

Surge Capacity: How To Address Ontario's Medical Backlog

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Ontario 360's purpose is to scan Ontario's economic opportunities and challenges and develop evidence-based public policy ideas to inform and shape the Ontario government's own policy planning and development. *Ontario 360* is independent, non-partisan, and fact-based. It provides a neutral platform for policy experts to put forward clear, actionable policy recommendations to promote a growth and opportunity agenda for Ontario.

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Executive Summary

The COVID-19 pandemic has produced a massive backlog of surgical procedures and diagnostic tests in Ontario. The Financial Accountability Office of Ontario estimated last spring that it may reach nearly 420,000 for surgical procedures and 2.5 million for diagnostic tests by Fall 2021. Some observers have described this pandemic-induced backlog as the “crisis behind the crisis.”

But these numbers do not tell the full story. When the pandemic subsides and, if people return to normal health-care consumption patterns, we will undoubtedly discover a larger “invisible wait list” that results from this sustained period of delayed diagnoses, testing, and treatments.

Even prior to the pandemic, the Canadian Institute for Health Information reported that provincial health-care systems could not meet as much as 33 percent of patient needs for certain procedures such as joint replacements or cataract surgeries according to governments’ own benchmarks.¹ Some provincial governments have since reported as much as a 24-percent drop in requests to be placed on surgical wait lists during the pandemic compared to non-pandemic years.

The upshot: Ontario is bound to come out of the pandemic with a massive, multi-year medical backlog that may never be fully eliminated without a proportionate plan. The provincial government has set out a “comprehensive surgical recovery plan” (including hundreds of millions of dollars in incremental funding), but the evidence overwhelmingly suggests it is not enough to eliminate the backlog in a timely, patient-centred, and cost-effective way.

Long-term, structural challenges face Ontario’s health-care system. Demographic pressures alone require the expansion of long-term care capacity. Aspiring to merely return to the pre-pandemic status quo is not enough. We need greater ambition to address the pandemic-induced backlog in the short term and to build the capacity required to meet rising health-care demand over the long term.

As our paper outlines, several provinces have engaged private delivery options to a greater degree than Ontario to address the “crisis behind the crisis” and to ultimately bolster their health-care systems to withstand future pressures. This deployment of “surge capacity” from private clinics augments and supports the public health-care system. It is not an alternative. It is a supplement that meets both patient care and financial needs in the face of short-term backlogs and long-term demands.

Here are some of the key lessons of how other provinces in Canada have accelerated the elimination of their testing and surgical backlogs without compromising the principle of universality:

- Transparent and open procurement processes for qualified private clinics;
- Specific targets or goals for reducing the backlog and cutting wait times more generally to guide evaluations and accountability for public-private partnerships;
- Regular public reporting on performance;
- Do not limit contracted procedures to a handful of specialty groups such as cataracts, hips, and knees – broaden the initiative to cover a wide range of specialty groups; and
- Incorporate public-private partnership models in a broader, long-term plan to improve the equity and efficiency of Ontario’s health-care system.

¹ Author unknown, “Wait times for priority procedures in Canada,” Canadian Institute for Health Information, June 15, 2021. <https://www.cihi.ca/en/wait-times-for-priority-procedures-in-canada>.

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Introduction

The COVID-19 pandemic has exposed inherent weaknesses in Ontario’s health-care system. When the pandemic emerged in 2020, the province’s Chief Medical Officer of Health (CMOH) directed hospitals to stop or reduce surgeries and other procedures to free up newly-required hospital and medical capacity for the steady caseloads of COVID-19 patients. A second CMOH directive was issued in April 2021 and subsequently lifted in May 2021.²

While these actions were warranted to manage the life-threatening pandemic challenge, they have contributed to an inadvertent yet increasingly serious problem: a massive backlog for elective surgeries, procedures, and diagnostic imaging that will take years and significant public resources to eliminate. This pandemic-induced backlog will place significant pressure on the province’s strained health-care system and cause many Ontarians to face longer-than-usual delays for diagnosis and treatment.

The Ontario government has taken some steps to address the province’s backlog including announcing a surgical recovery plan with incremental resources totalling hundreds of millions of dollars. On its own it will not be enough to meet the challenge in a timely, patient-centred, and cost-effective way. An ongoing backlog will impose significant health consequences on Ontarians in the form of delayed diagnoses, protracted suffering, and even death.

A more ambitious agenda to address Ontario’s medical backlog requires new and different approaches that learn from

the evidence provided by the experiences in other jurisdictions, particularly some Canadian provinces, which are using various health-care delivery models to reduce their own pandemic-induced backlogs. Alberta, British Columbia, Quebec and Saskatchewan are all leveraging private clinics to augment the capacity of their public health-care systems with positive results.

Drawing on private testing and surgical capacities has helped these provinces make progress relative to their own wait-time benchmarks as part of overall plans to eliminate their respective backlogs. These provincial plans preserve the principle of universality and build on successful models around the world and in Canada. They add incremental, private surgical supply as a “surge capacity” to better manage their health-care demands.

Saskatchewan’s Surgical Initiative, launched in 2010, which uses private clinics to provide publicly-funded surgeries, is a good example. This surge capacity helped the province to lower its wait times from Canada’s longest (28.8 weeks) in 2008

² Ontario Ministry of Health, Memorandum: Revocation of Chief Medical Officer of Health Directive #2 and the Resumption of non-urgent and non-emergent surgeries and procedures, May 19, 2021. <https://www.corhealthontario.ca/CMOH-Memorandum-Directive-2-19May2021.pdf>.

to the shortest by 2015 (13.6 weeks).³ The Saskatchewan government has recently launched a plan to build on the model for the purposes of addressing its pandemic-induced backlogs.⁴ Other provinces such as British Columbia have similarly used private clinics to augment the public health-care system's capacity for common surgeries in the past and have once again drawn on this "surge capacity" to address their pandemic-induced backlogs.

Implementing these different delivery models will not only help the Ontario government address its pandemic-induced backlog but will enable the province to test various approaches for addressing the longer-term, structural challenges facing its health-care system. Here is a snapshot of these structural pressures facing the province's health-care system which call for consideration and new action:

- At approximately \$75 billion,⁵ health care already consumes around 43

percent of Ontario's annual program spending and is projected to increase as a share of government expenditures due to aging demographics and a series of health service pressures that invariably confront us.

- COVID-19 demonstrated the inadequacies of Ontario's system of long-term care, including the need for new infrastructure (which does not even account for keeping up with demographic-driven demand), more staffing, and better overall conditions.
- The pandemic has also demonstrated the lack of resiliency in Ontario's hospital system. Its relative number of ICU beds, for instance, places it far below various international comparators. This has contributed to longer and more stringent lockdowns in the province and will need to be addressed in preparation for future pandemics and other health emergencies.

³ Bacchus Barua, "Laggard to leader – how Saskatchewan shortened wait times," Fraser Institute, June 28, 2016. <https://www.fraserinstitute.org/blogs/laggard-to-leader-how-saskatchewan-shortened-wait-times>; and Barua and Mackenzie Moir, "Kenney reforms may reduce health-care wait times, like Saskatchewan," Fraser Institute, January 24, 2020. <https://www.fraserinstitute.org/blogs/kenney-reforms-may-reduce-health-care-wait-times-like-in-saskatchewan>.

⁴ Author unknown, "Sask. to fund private surgeries in attempt to slash massive backlog," CBC News, December 9, 2021. <https://www.cbc.ca/news/canada/saskatchewan/sask-to-fund-private-surgeries-in-attempt-to-slash-massive-backlog-1.6279486>.

⁵ The FAO's analysis of Ontario's expenditure estimates suggests a total of \$74.1 billion in planned spending on health care for the 2021/22 fiscal year broken down as follows: \$25.8 billion on hospitals, \$17.0 billion on OHIP (physicians and practitioners), \$5.6 billion on long-term care, \$5.4 billion on public drug programs, \$4.9 billion on community programs, \$2.2 billion on mental health and addictions, \$2.0 billion on health-related capital, and \$11.2 billion on other health programs including public health. See Author unknown, Ministry of Health: Spending Plan Review, 2021. <https://www.fao-on.org/en/Blog/Publications/2021-health-estimates>

- Even without taking into consideration the growing calls to extend some form of public support for non-insured health costs such as drugs and dental, Ontarians face the prospect of significant increases of the per capita costs of health care with an aging population, the high rate of diabetes⁶, the opioid crisis, and increasing demands for mental health services.
- An impending Supreme Court decision on the constitutionality of Canada’s single payer model (known as the Cambie case) could reshape the legal landscape for health-care services and delivery in Canada. Although the outcome is uncertain, it is quite possible that the court decision will require Ontario policymakers to establish a new legal and policy framework that enables a greater role for private health-care delivery in the province to meet patient needs. It is important therefore that provincial policymakers contemplate how a such a model might work – starting with which services are available via private delivery, how they will be paid for, and how doctors and other medical professionals work in both the public and private systems.

Although the Province of Ontario faces a number of big challenges in the post-pandemic world, none may be greater than the need to bolster its health-care system to address its pandemic-induced backlogs and prepare for these knowable future pressures. The elimination of its surgical, procedural, and diagnostic backlogs in the short-term is a prerequisite for managing the province’s obvious and growing demands over the long-term.

⁶ Author unknown, “Diabetes in Canada: Backgrounder,” Diabetes Canada, February 2020. https://diabetes.ca/DiabetesCanadaWebsite/media/Advocacy-and-Policy/Backgrounder/2020_Backgrounder_Ontario_English_FINAL.pdf.

Understanding The Extent Of Ontario's Medical Backlog

In the early stages of the COVID-19 pandemic, as noted previously, Ontario's Chief Medical Officer of Health (CMOH) directed hospitals to stop or reduce surgeries and procedures in order to free up much-needed capacity. A second CMOH directive was issued the following year in April 2021 and lifted in May 2021.⁷ While these actions were warranted to address the life-threatening challenges of the pandemic, they have contributed to a massive backlog for elective surgeries, procedures, and diagnostic imaging.

According to Ontario's Financial Accountability Office (FAO),⁸ the backlog for elective surgeries totalled over 245,000 in March 2021, with the potential to reach nearly 420,000 by September 2021. The backlog for non-emergency diagnostic procedures was similarly projected to grow from over 1.6 million in March to almost 2.5 million by this past fall.

It will take significant time and public resources to eliminate these backlogs. In fact, the FAO estimates that it could take over three years to clear the surgical and diagnostic testing backlogs at a total cost of \$1.3 billion. It is probable that these estimates are too optimistic for two reasons. The first is they assume that hospitals and front-line health staff will work beyond their current capacity for an extended period. That is a questionable assumption at best given the intensity of the work that

front-line health workers have endured since the pandemic began. It is wishful thinking to expect greater productivity levels over a sustained period from an already burnt-out sector.⁹

The second is that the magnitude of the problem is underestimated. As the pandemic subsides and people return to normal health care consumption patterns, we are bound to discover that the backlogs are actually much larger than projected. There is reason to believe the pandemic is creating an "invisible waitlist" that has been concealed during this sustained period of delayed diagnoses, testing, and treatments. Consider, again, that the Quebec government has reported a 24 percent drop in requests to be placed on a surgical waitlist during the pandemic compared to a non-pandemic year.¹⁰

⁷ Ontario Ministry of Health, Memorandum: Revocation of Chief Medical Officer of Health Directive #2 and the Resumption of non-urgent and non-emergent surgeries and procedures, May 19, 2021. <https://www.corhealthontario.ca/CMOH-Memorandum-Directive-2-19May2021.pdf>.

⁸ Author unknown, Ministry of Health: Spending Plan Review, 2021. <https://www.fao-on.org/en/Blog/Publications/2021-health-estimates>

⁹ Natasha O'Neill, "Ontario's enormous 3.5-year surgical backlog falls on a burnout workforce," The Pointer, July 26, 2021. <https://thepointer.com/article/2021-07-26/ontario-s-enormous-3-5-year-surgical-backlog-falls-on-a-burnt-out-workforce>.

¹⁰ Annabelle Olivier, "Quebec hopes to reduce surgery backlog to pre-pandemic levels by 2023," Global News, June 10, 2021. <https://globalnews.ca/news/7939893/quebec-reduce-surgery-backlog-pre-pandemic-levels/>.

Notwithstanding these limitations, the Financial Accountability Office's estimates are directionally correct. They line up with various other researchers and organizations that have tracked the pandemic-induced backlogs and their economic costs and broader impacts. Consider the following:

- SecondStreet.org, a public policy think tank, used freedom of information requests and data from the Canadian Medical Association Journal to estimate that nearly 150,000 surgeries were postponed in Ontario due to the pandemic as of March 2021.¹¹ The total for Canada was estimated at 350,000 over the same period.
- The Ontario Medical Association produced estimates of the medical backlog in the province and found that the pandemic has created a backlog of nearly 16 million health care services including MRIs, CT scans, cataract surgery, hip and knee replacements, and coronary artery bypass grafts.¹²

- The Canadian Institute of Health Information has estimated that as many as 560,000 fewer surgeries were carried out across the country between the start of the pandemic and December 2021 relative to previous years.¹³

In a separate report, Canadian Institute for Health Information found that the pandemic has led to longer wait times for joint replacements and cataract surgeries in 2020, with 50 percent of Canadians not receiving procedures within medically recommended time frames – up from 33 percent in 2019.¹⁴ The economic and human costs of these medical backlogs are significant.¹⁵ Some have described the pandemic-induced backlog as “the crisis behind the crisis.”¹⁶

It is important to note that these delays do not just impact timely surgeries and procedures. They have also affected access to various health care services, including preventative care, cancer screenings,

¹¹ Colin Craig, “A closer look at postponed surgeries due to COVID-19,” Second Street, March 2021.

<https://www.secondstreet.org/wp-content/uploads/2021/03/Policy-Brief-Closer-look-at-postponed-surgeries.pdf>.

¹² Press release, “OMA estimates pandemic backlog of almost 16 million health-care services,” Ontario Medical Association, June 9, 2021. <https://www.oma.org/newsroom/news/2021/jun/oma-estimates-pandemic-backlog-of-almost-16-million-health-care-services/>.

¹³ Press release, “Over half a million fewer surgeries have been performed in Canada since the start of the pandemic,” Canadian Institute for Health Information, December 9, 2021. <https://www.cihi.ca/en/over-half-a-million-fewer-surgeries-have-been-performed-in-canada-since-the-start-of-the-pandemic>.

¹⁴ Author unknown, “Wait times for priority procedures in Canada,” Canadian Institute for Health Information, June 15, 2021. <https://www.cihi.ca/en/wait-times-for-priority-procedures-in-canada>.

¹⁵ For instance, SecondStreet.org estimates that in Canada, “over 10,000 patients died while waiting for surgery, a procedure, diagnostic scan, or appointment with a specialist between April 1, 2019 – December 31, 2020. Included in that total are 2,367 patients who passed away while waiting for surgery during calendar year 2020, which covers eight months of the pandemic period.” See Craig, “Died on a waiting list,” Second Street, June 2021. <https://www.secondstreet.org/wp-content/uploads/2021/07/Policy-Brief-Died-on-a-Waiting-List-June-2021.pdf>.

¹⁶ See Medtech Canada’s webinar on surgical backlogs, June 15, 2021. <https://vimeo.com/563384348/60512202df>.

chronic disease screenings, and follow-up care for at-risk patients. Some patients have avoided seeing care altogether. As a result, people are arriving at hospitals and doctors' offices sicker and further progressed in their diseases. The evidence is clear and unequivocal: the medical backlogs have had deep and systemic impacts on the provincial health-care system and the well-being of Ontarians.

The pandemic has only magnified longstanding, pre-existing challenges in Canada's health-care system with regards to wait times for visits to specialists and for diagnostic and surgical procedures.¹⁷ Canada was already an international laggard for its long wait times according to the Commonwealth Fund and other global comparators.¹⁸

Ontario's dearth of hospital beds compounds the problem. The province's number of hospital beds per population is one of the lowest among advanced nations and below the Canadian average.¹⁹

This point cannot be emphasized enough: not only does Canada as a whole have among the fewest hospital beds per capita (1.95 acute beds per 1,000 people) among OECD countries but Ontario even compares unfavourably among provinces.²⁰ Notwithstanding our relative living standards, Ontarians essentially have the equivalent of Mexico's health-care capacity.

Today's health-care spending as a share of total government spending will continue to grow in response to aging demographics, which will in turn lead to underfunding of other essential public services as well as rising wait times within the public health-care system.²¹ While the province's average wait times may be lower than some other provinces, research still finds them high compared to other jurisdictions.²² A 2017 study, for instance, reported that Ontario's mean wait time for a specialist appointment was 8.6 weeks, with some specialties having waits of 15.1 to 24 weeks.²³ Delays caused by the interruption of procedures due to COVID-19 exacerbates the problem.

¹⁷ Bacchus Barua and Mackenzie Moir, *Wait Your Turn: Wait Times for Health Care in Canada, 2020 Report*, Fraser Institute, 2020. <https://www.fraserinstitute.org/sites/default/files/waiting-your-turn-2020.pdf>.

¹⁸ Shanoor Seervai, "The truth about waiting to see a doctor in Canada," Commonwealth Fund, October 30, 2018. <https://www.commonwealthfund.org/publications/podcast/2018/oct/truth-about-waiting-see-doctor-canada>.

¹⁹ Author unknown, Ministry of Health: Spending Plan Review, 2021. <https://www.fao-on.org/en/Blog/Publications/2021-health-estimates>

²⁰ Francis Wooley, "Coronavirus is about to reveal how fragile our health system is," Policy Options, March 19, 2020. <https://policyoptions.irpp.org/magazines/march-2020/coronavirus-is-about-to-reveal-how-fragile-our-health-system-is/>.

²¹ Nearly half of all health-care spending is dedicated to Canadians aged 65 years and older and that share of the population is slated to rise from about 17 percent to 25 percent in the mid-2030s. See Brian Ferguson, Sean Speer and Ariel Freeman-Fawcett, *Running out of Time: Demographic Pressures and the Future of Canadian Health Care*, Macdonald-Laurier Institute, December 2017. <https://macdonaldlaurier.ca/files/pdf/MLI-AgingDemographicsHealthcarePaper12-17-webreadyFinal.pdf>.

²² Bacchus Barua and Mackenzie Moir, *Wait Your Turn: Wait Times for Health Care in Canada, 2020 Report*, Fraser Institute, 2020. <https://www.fraserinstitute.org/sites/default/files/waiting-your-turn-2020.pdf>.

²³ Ieva Neimanis et al., "Referral processes and wait times in primary care," *Can Fam Physician*, Issue 63, Number 8, August 2017. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5555331/>.

Ontario's Plan To Address Its Medical Backlog

Over the past 18 months or so, the Ontario government has dedicated significant new funding to both address the immediate effects of COVID-19 and to target the pandemic-induced backlog. These policy actions are inadequate to meet the obvious health needs and costs that lie ahead. They in effect double down on the existing health-care system's assumptions and features without thinking more ambitiously about how to improve outcomes and lower costs.

Between the government's November 2020 budget and the present, it has committed significant, new, and incremental public spending to address the growing medical backlog. In September 2020, for instance, it released a *Fall Preparedness Plan for Health, Long-Term Care, and Education* which included nearly \$285 million for hospitals that had cut back surgeries and procedures to minimal levels between March and May 2020.²⁴ The government has since added \$300 million in its March 2021 budget as well as another \$300 million in its July 2021 budget to reduce surgical backlogs from delayed or cancelled surgeries due to the pandemic, including by keeping operating rooms open on evenings and weekends.²⁵

This new, incremental spending has brought the Ontario government's total spending on the pandemic-induced backlog to close \$1 billion. This plan is intended to enable hospitals to operate

at 110 to 115 per cent capacity for the foreseeable future.

In July 2021, as part of the government's announcement of its "comprehensive surgical recovery plan", it reported that while 76 percent of patients who were wait listed for required surgery between March 2020 and March 2021 had received the care they needed, these figures probably underestimated the nascent demand for surgeries and testing. The government's own documents recognized that when public health measures are lifted, "it is anticipated that referrals for surgeries, procedures and diagnostic imaging will increase similar to what has been seen in other provinces and jurisdictions."²⁶

While some progress on the current backlogs – including the prioritization of urgent surgeries – may have occurred, these numbers understate the magnitude of the demand because many Ontarians

²⁴ See page #40 in Ontario Ministry of Finance, Ontario's Action Plan: Protecting the People's Health and our Economy, Budget 2021, March 24, 2021. <https://budget.ontario.ca/2020/pdf/2020-ontario-budget-en.pdf>.

²⁵ Ontario Ministry of Finance, Ontario's Action Plan: Protecting the People's Health and our Economy, Budget 2021, March 24, 2021. <https://budget.ontario.ca/2020/pdf/2020-ontario-budget-en.pdf>.

²⁶ Press release, "Ontario ramping up efforts to reduce surgical wait times," Ontario Government, July 28, 2021. <https://news.ontario.ca/en/release/1000613/ontario-ramping-up-efforts-to-reduce-surgical-wait-times>.

have avoided interacting with the health-care system during the pandemic including for routine doctor visits, regular screenings, and check ups. This artificial drop in health-care consumption is likely masking the true size of the surgical and testing backlogs in Ontario.

As Matthew Anderson, President and CEO of Ontario Health, observed in July 2021, current wait list levels were only comparable to pre-COVID numbers because fewer patients sought medical treatment during the pandemic.²⁷ That resulted in fewer surgeries being booked than would otherwise be the case.²⁸ As people revert to their normal health-care consumption, there will doubtless be additional pressure on the backlog. The magnitude of this demand is impossible to estimate. It is an “invisible wait list” that will only become visible in time.

To sum up, the Ontario government has taken the following steps to address the province’s surgical, procedural, and diagnostic backlogs:

- More dedicated funding for hospitals to increase surgical volumes, diagnostic imaging, and capacity, including extending operating room hours for surgeries during evenings and weekends and more hours for MRI and CT scanning.

- Grants through the Surgical Innovation Fund that are intended to increase surgical capacity in specific regions by overcoming unique local bottlenecks such as operating room nurse training, lease costs for new locations, dedicated specialized operating facilities, and acquiring surgical equipment and technological supports.
- Additional funding, engagement, and licensing of Independent Health Facilities²⁹ to leverage their capacity for increased volumes of low-risk, publicly-funded services such as cataract surgery, MRI/CT scans, and insured plastic surgeries.
- Centralized surgical wait list management to reduce wait times by using technology and more efficient administration.
- Measures to increase cancer screening, streamline referrals, and improve virtual post-surgical care and transitions to rehab/home care.

Notably absent from Ontario’s comprehensive surgical recovery plan – apart from the \$24 million for Independent Health Facilities – is leveraging the private sector (including facilities and personnel) to help clear the surgical, procedural, and diagnostic backlogs. The provincial

²⁷ Ontario Health is the government’s new single agency that oversees health care delivery, improves clinical guidance, and provides support for providers. For more see: <https://www.ontario.ca/page/ontario-health-agency>.

²⁸ Jeff Gray, “Ontario to spend \$324-million to handle surgery backlog left by COVID-19 pandemic,” *Globe and Mail*, July 28, 2021. <https://www.theglobeandmail.com/canada/article-ontario-to-spend-324-million-to-handle-surgery-backlog-left-by-covid/>.

²⁹ For more on Independent Health Facilities, see Ontario Ministry of Health, *Independent Health Facilities Act: Fact Sheet*, date unknown. https://www.health.gov.on.ca/en/public/programs/ihf/docs/ihf_fact.pdf.

government's plan essentially aims to clear these backlogs without drawing any surge capacity into the system.

This omission is notable because it means the public health-care system will be called upon to continue to operate beyond its normal capacity on a sustained basis. This seems like a highly unrealistic assumption in light of the intensity of the past two years or so.

Much greater ambition is needed.

Other Provinces Leverage The Private Sector's Capacity To Reduce Surgical Backlogs

In general, the Ontario government can learn from the experiences of other jurisdictions with universal health-care systems around the world on how to deliver higher quality and more timely care.³⁰ Various other countries with universal health-care models outperform the province across a range of metrics, including wait times.³¹

When specifically addressing the pandemic-induced backlog, Ontario policymakers can adopt best practices from their provincial counterparts. Other provinces have pursued a number of strategies to address their own backlogs, including drawing on private delivery options to augment the public health-care system.

British Columbia³²

B.C.'s pandemic-related surgical renewal is one such example. It has been viewed thus far as successful in making progress on reducing the province's pandemic-induced backlogs.³³

It is important to note, however, that while the B.C. government released its surgical renewal plan in response to the pandemic in May 2020, its various policy and operational characteristics were not new. They reflected ongoing planning by the provincial government to address surgical wait times from as far back as the mid 1990s.

More recently, in 2015-16, the government brought together a number of health-related organizations to develop a surgical strategy for the province. That strategy includes building IT solutions for surgical wait lists implemented across the province, improving the patient experience by giving them a point of contact to know where they

³⁰ Consider a recent Commonwealth Fund report that assessed the health care performance of 11 advanced nations on several indicators and found that Canada ranked second last in 10th place. See Eric C. Schneider et al., *Mirror, Mirror 2021: Reflecting Poorly – Health Care in the U.S. Compared to Other High-Income Countries*, Commonwealth Fund, August 4, 2021.

<https://www.commonwealthfund.org/publications/fund-reports/2021/aug/mirror-mirror-2021-reflecting-poorly>.

³¹ See "Medicare's Mid-Life Crisis: Fixing Canada's Health Care for the 20th Century, multiple papers, reports and videos and multiple dates.

<https://www.macdonaldlaurier.ca/medicares-midlife-crisis-fixing-canadian-health-care-for-the-21st-century/>.

³² This section on B.C. draws heavily from the account of Dr. Sam Bugis, General Surgeon and Vice President, Physician Affairs & Specialist Practice, Doctors of B.C. from the Medtech Canada's webinar on surgical backlogs, June 15, 2021. <https://vimeo.com/563384348/60512202df>.

³³ Author unknown, "B.C. nearly clears backlog of surgeries one year after onset of pandemic," CBC News, March 19, 2021. <https://www.cbc.ca/news/canada/british-columbia/b-c-releases-progress-report-on-surgeries-one-year-after-onset-of-pandemic-1.5956732>.

are on the wait list, introducing initiatives like early recovery after surgery and pre-op optimization and single entry/pooled referral models,³⁴ and having the sufficient human health-care resources.

In 2017, as part of this overall plan, B.C.'s Ministry of Health directed health authorities to prioritize hip, knee, and dental surgeries and, by 2019, reductions in the wait lists for these procedures were observed.³⁵ The onset of the pandemic, however, halted progress on the surgical strategy as resources were redirected to respond to rising COVID-19 cases.

After the lockdown in the spring months of 2020, the government announced a revised plan for a surgery ramp up to address the pandemic-induced backlog.³⁶ While the pre-pandemic work on the surgical strategy formed the basis for the surgical renewal plan, new issues such as access to personal protective equipment also needed to be considered.

There was recognition that, for the pandemic-oriented surgical renewal plan to be successful, the following principles should be maintained:

- Since work happens locally, decisions on how to increase capacity should be made locally.
- The burdens of the extra surgical work should not be placed on a few specialty groups (such as regarding hips and knees) but rather spread among different physician groups, as well as imaging and consulting services to ensure that progress is achieved across several wait list needs.
- Voluntary involvement among health care staff for the extra work.
- Afterhours work requires extra government funding.

B.C.'s surgical renewal plan has five steps: 1) increase surgeries, 2) increase essential personnel, 3) focus on patients, 4) add more resources, and 5) report on progress. With regards to increasing surgeries, there are several notable components to the plan including:

- Refining processes to improve efficiencies.

³⁴ For more on pooled referrals, see Saskatchewan Surgical Initiative, "Pooling referrals,"

Government of Saskatchewan, date unknown. <http://www.sasksurgery.ca/sksi/poolingreferrals.html>.

³⁵ For a discussion of B.C.'s progress, see: Sean Boynton, "B.C. surgical wait times improving for some procedures, but still lag other provinces: report," Global News, March 29, 2019. <https://globalnews.ca/news/5109135/b-c-surgical-wait-times-improving-for-some-procedures-but-still-lag-other-provinces-report/>. See also page 27 for evidence of BC's reduction in wait times in 2019, Bacchus Barua and Mackenzie Moir, *Waiting Your Turn Wait Times for Health Care in Canada, 2019 Report*, Fraser Institute, 2019. <https://www.fraserinstitute.org/sites/default/files/waiting-your-turn-2019-rev17dec.pdf>. However, according to Dr. Sam Bugis, while progress on wait times was made in the areas prioritized by the government (i.e., hip, knees, and dental), other areas experienced longer delays. Medtech Canada's webinar on surgical backlogs, June 15, 2021. <https://vimeo.com/563384348/60512202df>.

³⁶ Ministry of Health, *A Commitment to Surgical Renewal in BC*, Government of British Columbia, May 7, 2020. <https://www2.gov.bc.ca/assets/gov/health/conducting-health-research/surgical-renewal-plan.pdf>.

- Extending daily operating room hours.
- Adding weekend operating services.
- Reducing summer and other closure periods.
- Using after hours for elective surgeries.
- Optimizing the use of all current public and private facilities.

The most significant component of B.C.'s plan to increase overall surgical capacity is the greater use of contracted private surgical clinics that agree to follow the Canada Health Act and not extra bill patients. This surge capacity has been deployed to augment the public system by mostly targeting low-risk, highly-common surgical procedures such as knees and hips. It is estimated that the use of private service delivery helped to contribute to a 3.5 percent average increase in operating room hours between May and November 2020.³⁷

The government's decision to leverage capacity produced controversy for two main reasons.³⁸ The first is that B.C.'s NDP government surprised some Medicare proponents by partnering with the private sector, which is viewed in some quarters as anathema to the public health-care model even if it is not incongruent with the

model's original intent. The second is that, as described earlier, the Cambie Surgeries Corporation is engaged in a multi-year court case versus the B.C. government regarding the ability of private health care providers to charge patients directly for services that are otherwise available in the public health-care system even if the latter has failed to meet patient needs as defined by the government.

The surgical renewal plan, including the use of private delivery options, increased the province's surgical capacity beginning in earnest in June 2020. Even with increased cases and pressures building through March 2021, B.C. has made progress on addressing its backlog relative to other provinces.

In its regular progress reports, for instance, the B.C. government noted as of May 2021, it had "delivered surgeries to 97 percent of the 15,154 patients who were called during the first wave of COVID-19 and [who] had their surgery postponed [but] who still wanted to pursue a surgical treatment."³⁹ The number of urgent surgeries performed is up, the wait list for urgent cases is down, operating rooms are running more hours, and additional health-care workers (such as surgeons, anesthesiologists, nurses, and technicians) have been hired.

³⁷ Bacchus Barua and MacKenzie Moir, "B.C. makes progress on surgery backlog – but serious challenges remain," Fraser Institute, February 2, 2021.

<https://www.fraserinstitute.org/blogs/bc-makes-progress-on-surgery-backlog-but-serious-challenges-remain>.

³⁸ Ian Mulgrew, "B.C.'s surgical plan gets a raspberry," Vancouver Sun, May 7, 2020. <https://vancouversun.com/news/ian-mulgrew-b-c-s-surgical-plan-gets-a-raspberry/wcm/5b69242a-794b-4e18-b33e-6dc3990927ec/>.

³⁹ See BC's surgical renewal progress report #11 released on May 27, 2021: <https://news.gov.bc.ca/files/surgical-renewal-progress-report-March-2021.pdf>.

Despite this progress, wait lists remain an issue. Systemic pressures will persist as patients resume normal health-care consumption behaviour.⁴⁰ B.C.’s response is intended to be long-term with an expectation to ultimately increase capacity by 24 percent.

Alberta⁴¹

Alberta experienced a growing surgical backlog before the COVID-19 pandemic. Like B.C., it had an initiative, Alberta’s Surgical Initiative, to address its pre-pandemic backlog. It was modelled after Saskatchewan’s Surgical Initiative and has thus far helped the province bear some of the worst brunt of the pandemic’s effects on other surgeries and testing.

As the United Conservative Party took office in 2019, it had a series of high-profile campaign promises to experiment with new forms of health-care delivery. The Alberta’s Surgical Initiative, done in collaboration with Alberta Health Services was approved by Cabinet in October 2019.

Drawing on Saskatchewan’s model from 2010, the Alberta Surgical Initiative aims to reduce surgical wait times to within clinically recommended targets. In brief it can be described as follows:⁴²

“A comprehensive plan to reduce surgical wait times by improving care co-ordination and provision of services and supporting long-term service viability at all stages (referral, surgery and recovery phases). The plan commits to ensuring all Albertans receive scheduled surgeries within a clinically appropriate timeframe by 2023. In line with a values-based approach, AHS will also be putting in place improvement processes to the most efficient use of operating rooms, further leveraging resources and capacity in our smaller communities; implementing privately operated, publicly-funded options; putting in place accountability standards to ensure safe high-quality services, and putting in place a centralized booking and triage system to efficiently and appropriately manage demand so access is timely.”

In short, the Alberta Surgical Initiative seeks to reduce surgical wait times on a sustained basis by:

- Improving access to specialists for primary care.
- Using centralized intakes / bookings and pooled referrals.

⁴⁰ For more on the challenges that BC faces, see Bacchus Barua and MacKenzie Moir, “B.C. makes progress on surgery backlog – but serious challenges remain,” Fraser Institute, February 2, 2021.

<https://www.fraserinstitute.org/blogs/bc-makes-progress-on-surgery-backlog-but-serious-challenges-remain>.

⁴¹ This section on Alberta draws heavily from the account of Stacey Litvinchuk, Senior Provincial Director for Provincial Surgery Utilization, Alberta Health Services. See Medtech Canada’s webinar on surgical backlogs, June 15, 2021. <https://vimeo.com/563384348/60512202df>.

⁴² Verna Yiu, AHS Performance Review Proposed Implementation Plan, Alberta Health Services, August 13, 2020. <https://open.alberta.ca/dataset/e07fb93b-806f-4d91-bceb-640ea4ba5473/resource/c4890bfa-bc7c-48e2-8c95-e34c9c15f1da/download/health-ahs-review-implementation-plan-2020-08.pdf>.

- Increasing the volumes of surgeries by extending hours to evenings and weekends.
- Implementing surgical pathways to improve the patient journey and care experience, including enhanced recovery after surgery and increased transparency for patients.
- Optimizing cost structures and workforce strategies.

Like B.C.’s plan, a critical part of Alberta’s Surgical Initiative leverages the private sector to augment the public system’s surgical capacity. Specifically, the Alberta government’s plan expands the use of so-called “chartered surgical facilities,” which are private facilities contracted to perform publicly-funded services.

As the government has explained: “chartered surgical facilities have offered safe, less-complex, publicly funded surgeries to Albertans since the 1990s, taking pressure off hospitals to allow them to focus on more complex and emergency surgical patients.”⁴³ Prior to expansion, chartered surgical facilities offered 40,000 surgeries each year. By 2023, the government’s target is 90,000 surgeries. Alberta currently contracts out about 15

percent of surgeries to chartered surgical facilities. It aims to increase the share to 30 percent by 2023.⁴⁴

Since December 2020, chartered surgical facilities have offered more publicly-funded procedures to Albertans to relieve the backlog of postponed procedures. Those services increased in 2021, including incremental operating and capital funding for the Alberta Surgical Initiative totalling approximately \$240 million over three years.⁴⁵ Additional funding from the province’s \$1.25-billion COVID-19 contingency plan is also earmarked to address surgical backlogs caused by the pandemic. The goal for the 2021-22 fiscal year is to provide 55,000 more scheduled surgeries, on top of the normal pre-pandemic volume of 290,000 surgeries, which amounts to a 19 percent annual increase.

These actions have helped Alberta to better manage the growing backlog that resulted from the pandemic. As of March 2021, the province had reduced its surgical wait list by nearly 3,000, from about 77,000 in spring 2020 to about 74,200. More likely will be accomplished as Alberta’s Surgical Initiative ramps up.

⁴³ Press release, “Budget 2021: More funding to reduce surgical wait times,” Government of Alberta, March 5, 2021. <https://www.alberta.ca/release.cfm?xID=77663291345CB-BE69-E9A8-171C5F17479D2BDC>.

⁴⁴ Medtech Canada’s webinar on surgical backlogs, June 15, 2021. <https://vimeo.com/563384348/60512202df>.

⁴⁵ Press release, “Budget 2021: More funding to reduce surgical wait times,” Government of Alberta, March 5, 2021. <https://www.alberta.ca/release.cfm?xID=77663291345CB-BE69-E9A8-171C5F17479D2BDC>.

Quebec

The Quebec government is also leaning on the private sector to address its backlog, which was estimated to be 146,000 surgeries as of June 2021 or roughly 30,000 more than its pre-pandemic level.⁴⁶ In the short term, the government's goal has been to resume surgical activity to a similar level as prior to the pandemic.⁴⁷ Quebec also aims to reduce its backlog and to cut wait times to below pre-pandemic levels by March 2023. For perspective, the goal is to perform about 40,000 surgeries per month by March 2023, up from the 26,000 performed currently and 34,000 before the pandemic.⁴⁸

In June 2020, the Quebec government began signing contracts with private clinics to clear the backlog. As of February 2021, at least 20 contracts had been signed with private clinics to carry out various surgical procedures to augment the public system.⁴⁹

Early results from the initiative appear positive. According to Quebec's Health Minister, Christian Dubé, the number

of people waiting for surgeries in the Montreal region would be 10 percent higher had the government not secured those agreements. In the Laval region, which has the highest rate of surgical catch up in the province, 6 of 10 surgeries are performed at private clinics.⁵⁰

The Quebec government is also exploring ways to optimize and increase the use of existing operating rooms, to revise the structure of surgical teams, and to address the issue of staffing in the health system.⁵¹ These efforts reflect in part the 2005 Chaoulli decision (*Chaoulli v. Quebec*) which found that a combination of long wait times and prohibitions on private health care amounted to a Charter infringement for Quebec patients.⁵²

The province's current mix of approaches (including the surge capacity from private clinics) has proven successful in increasing surgical volumes. In July 2021, government officials noted that surgical activities in Quebec had returned to 100 percent of pre-pandemic levels for the first time since the start of the pandemic – well in advance

⁴⁶ Annabelle Olivier, "Quebec hopes to reduce surgery backlog to pre-pandemic levels by 2023," Global News, June 10, 2021. <https://globalnews.ca/news/7939893/quebec-reduce-surgery-backlog-pre-pandemic-levels/>.

⁴⁷ Annabelle Olivier, "Quebec hopes to reduce surgery backlog to pre-pandemic levels by 2023," Global News, June 10, 2021. <https://globalnews.ca/news/7939893/quebec-reduce-surgery-backlog-pre-pandemic-levels/>.

⁴⁸ Author unknown, "Quebec looks to reduce surgery backlogs as waitlist nears 150,000 patients," CBC News, June 10, 2021. <https://www.cbc.ca/news/canada/montreal/waitlist-quebec-surgery-delays-patients-1.6061367>.

⁴⁹ Daniel Boily and Davide Gentile, "Quebec signing more contracts with private clinics to help clear surgery waitlists," CBC News, February 5, 2021. <https://www.cbc.ca/news/canada/montreal/private-clinics-quebec-surgery-backlog-1.5902260>.

⁵⁰ Daniel Boily and Davide Gentile, "Quebec signing more contracts with private clinics to help clear surgery waitlists," CBC News, February 5, 2021. <https://www.cbc.ca/news/canada/montreal/private-clinics-quebec-surgery-backlog-1.5902260>.

⁵¹ Annabelle Olivier, "Quebec hopes to reduce surgery backlog to pre-pandemic levels by 2023," Global News, June 10, 2021. <https://globalnews.ca/news/7939893/quebec-reduce-surgery-backlog-pre-pandemic-levels/>.

⁵² *Chaoulli v. Quebec* (Attorney General), Supreme Court of Canada, June 9, 2005. <https://scc-csc.lexum.com/scc-csc/scc-csc/en/item/2237/index.do>.

of the government’s October 2021 goal.⁵³ In fact, several regions in the province have activity levels above 100 percent.

However, in Quebec, as in all provinces, an increase in the demand for new surgeries is expected as people resume more traditional patterns of health-care consumption behaviour. One government official pointed to a 24 percent drop in requests to be placed on a surgical wait list during the pandemic compared to a non-pandemic year.⁵⁴ This reinforces the importance of seeking longer-term solutions to build capacity in Quebec’s health system.

Saskatchewan

Saskatchewan is a leader within Canada on addressing surgical backlogs. Starting in 2010, the province introduced the Saskatchewan Surgical Initiative, which leveraged capacity at private clinics with the following goals:⁵⁵

- Reduce surgical wait times to no more than three months within four years (by 2014).
- Make changes that result in better and safer care for surgical patients.

- Improve the experiences of Saskatchewan surgical patients.
- Ensure that short wait times can be sustained into the future.

As former Saskatchewan Cabinet minister Janice MacKinnon has explained, the Saskatchewan Surgical Initiative “changed the way waiting lists were managed and organized, but it also fundamentally changed the culture and decision-making process in health care.”⁵⁶ As an example, a pooled referral model was introduced to expedite surgical referrals. More generally, several key principles animated the government’s efforts including leadership on setting a specific target to reduce wait times, engagement of front-line staff to embrace change, a patient-centred focus, and effective communications.

According to MacKinnon, effective communications helped to achieve success in the use of private, for-profit clinics to deliver day surgery procedures (i.e., cataracts, ACL repairs, and certain gynecological procedures). Clear communications to critics, including health care unions, was critical for public buy-in for the use of private clinics for the purposes of augmenting rather than substituting for the public system.

⁵³ Author unknown, “Quebec surgeries pick up speed as province tackles pandemic backlog,” CBC News, July 9, 2021. <https://www.cbc.ca/news/canada/montreal/quebec-surgeries-resume-as-province-tackles-pandemic-backlog-1.6096449>.

⁵⁴ Annabelle Olivier, “Quebec hopes to reduce surgery backlog to pre-pandemic levels by 2023,” Global News, June 10, 2021. <https://globalnews.ca/news/7939893/quebec-reduce-surgery-backlog-pre-pandemic-levels/>.

⁵⁵ “About the Saskatchewan Surgical Initiative,” Government of Saskatchewan, date unknown. <http://www.sasksurgery.ca/sksi/aboutus.html>.

⁵⁶ Janice MacKinnon, Learning from the Saskatchewan Surgical Initiative to Improve Wait Times in Canada, Fraser Institute, April 2016. <https://www.fraserinstitute.org/sites/default/files/learning-from-the-saskatchewan-surgical-initiative-to-improve-wait-times-in-canada.pdf>.

The transparency of the selection of participating private clinics was also a key ingredient.

Of note, surgeries at private clinics cost taxpayers 26 percent less on average when compared to hospital surgeries. In fact, provincial guidelines stipulated that the cost of services provided by private clinics had to be equal to or less than what was offered by public hospitals.⁵⁷ By engaging the private sector, the province was able to quickly expand its total surgical capacity and free up resources in public hospitals for more complex treatments.

Saskatchewan's Surgical Initiative is generally viewed as a success. It helped the province lower its wait times from Canada's longest (28.8 weeks in 2008) to the shortest by 2015 (13.6 weeks).⁵⁸ The dramatic improvement in wait times for elective surgery in Saskatchewan has been substantiated by many independent sources, including the Canadian Institute for Health Information, the Fraser Institute, and the Wait Time Alliance.⁵⁹

MacKinnon emphasizes that, notwithstanding this progress, the Saskatchewan Surgical Initiative did not represent a fundamental reform to the overall health-care system. As she explains:

“It only improved wait times for elective surgery; long waits remain in other areas. It also involved increasing capacity, which meant pouring more money into an already expensive health-care system. Finally, it did not tackle the structural problems of Medicare that foster long wait times. The SSI treated the symptom—the waiting lists—rather than the root problem: Medicare’s structure and funding. But it was not designed to fix Medicare. Its goal was to relieve the suffering of patients who were waiting far too long for surgery. In that it succeeded.”⁶⁰

Moreover, while the Saskatchewan Surgical Initiative cut wait times significantly over a five-year period, it required devoting more money to an already expensive health care system. When the increased funding

⁵⁷ Bacchus Barua, “Laggard to leader – how Saskatchewan shortened wait times,” Fraser Institute, June 28, 2016. <https://www.fraserinstitute.org/blogs/laggard-to-leader-how-saskatchewan-shortened-wait-times>.

⁵⁸ Bacchus Barua and Mackenzie Moir, “Kenney reforms may reduce health-care wait times, like Saskatchewan,” Fraser Institute, January 24, 2020. <https://www.fraserinstitute.org/blogs/kenney-reforms-may-reduce-health-care-wait-times-like-in-saskatchewan>; and Barua, “Laggard to leader – how Saskatchewan shortened wait times,” Fraser Institute, June 28, 2016. <https://www.fraserinstitute.org/blogs/laggard-to-leader-how-saskatchewan-shortened-wait-times>.

⁵⁹ See pages 31-32 in Janice MacKinnon, Learning from the Saskatchewan Surgical Initiative to Improve Wait Times in Canada, Fraser Institute, April 2016. <https://www.fraserinstitute.org/sites/default/files/learning-from-the-saskatchewan-surgical-initiative-to-improve-wait-times-in-canada.pdf>.

⁶⁰ Janice MacKinnon, Learning from the Saskatchewan Surgical Initiative to Improve Wait Times in Canada, Fraser Institute, April 2016. <https://www.fraserinstitute.org/sites/default/files/learning-from-the-saskatchewan-surgical-initiative-to-improve-wait-times-in-canada.pdf>.

ended, wait times in the province rose again, increasing 29 percent from April 2015 to March 2018.⁶¹

The Saskatchewan government announced in December 2021 its plans to build on the Saskatchewan Surgical Initiative to address the province’s pandemic-induced backlogs. The goal is to get back to a 3-month benchmark by 2030. This will involve adding roughly 6,000 to 7,000 surgeries per year through contracts with private surgical providers.⁶² It recently issued a Request for Information to test the market for “additional third party surgical providers for day procedures, overnight inpatient surgeries, and post-operative care including therapies and home care.”⁶³ These services will be publicly funded.

⁶¹ David Baxter, “Sask. specialist wait times up 29 per cent since 2015,” Global News, November 8, 2018. <https://globalnews.ca/news/4645792/sask-specialist-wait-times-up-29-per-cent-since-2015/>.

⁶² Ministry of Health, “Provincial announces plans to eliminate COVID surgical backlog and expand ICU,” Government of Saskatchewan, December 9, 2021. <https://www.saskatchewan.ca/government/news-and-media/2021/december/09/province-announces-plans-to-eliminate-covid-surgical-backlog-and-expand-icu>.

⁶³ Brendan Ellis and Wayne Mantyka, “Sask. expanding private medical procedures to address COVID-19 surgical backlog,” CTV News, December 10, 2021. <https://regina.ctvnews.ca/sask-expanding-private-medical-procedures-to-address-covid-19-surgical-backlog-1.5702849>.

Policy Recommendation: Leveraging The Private Sector More Can Help Reduce Ontario's Backlog

These provincial case studies underline that, in some areas, Ontario's approach to addressing its pandemic-induced backlog is aligned with what other governments are doing. The Ontario government is, for instance, like several of its provincial counterparts, extending operating room hours at public hospitals into evenings and weekends, enabling additional hours for MRI and CT scanning, centralizing surgical wait list management to improve administration and reduce wait times, seeking innovative solutions for local challenges, and increasing volumes of (low-risk) surgical and diagnostic services at Independent Health Facilities.

These other provincial examples (which span the political spectrum) also suggest that drawing on private resources (including facilities and personnel) can provide a "surge capacity" to help patients get the care that they need in a timely and cost-effective way. Yet, unlike other provinces, the Ontario government is not making much use of private delivery options to enhance its surgical and testing capacity. Only 7 percent of the government's latest \$324 million funding for surgical backlogs is dedicated to increased activity at Independent Health Facilities.

This is a missed opportunity. Partnering with the private sector to deliver more publicly-funded surgeries is a means for the Ontario government to reduce the current backlog both faster and at lower cost. It would also help to address the systemic wait lists and wait times that existed well before the pandemic. Such surge capacity could, in other words, have short- and long-term benefits for Ontario's health-

care system and the overall health and well-being of Ontarians.

This is particularly important in light of evidence that the backlog will likely grow due to the invisible wait list that has built up in the short-term during the COVID-19 pandemic and will remain persistent in light of aging demographics. Ontario's public health care system is already strained. Staff are burnt out. Merely throwing more money at the system will not solve the systemic issues that predated COVID-19 and have since been exacerbated by the pandemic.

The experience in other provinces suggests that greater use of the private sector to address pandemic-induced backlogs is something that Ontario policy-makers should seriously consider. This is not a cost-cutting exercise or an alternative to the public system. The point is not to reduce public expenditures – in fact, the idea is that private delivery would be covered by public insurance. Instead, it is about drawing on the surge capacity of

the private sector to reduce the time that Ontarians face for surgeries. One way to think about it is leveraging all available resources – both public and private – to deliver higher quality and more timely care in the face of unprecedented health-care demands and medical backlogs.

Pursuing this approach would of course have critics, including health-care unions (as was the case in Saskatchewan) as well as Medicare proponents. These political economy risks should not be underestimated but they also should not be an excuse for inaction.

One gets the sense that the public instinctively understands the inherent scarcity of the province’s health-care system. Wait times are not an inadvertent consequence of the system. The status quo deliberately and intentionally makes an operational choice to minimize the cost rather than maximize the care that people get. The Ontario government can therefore learn from sensible health-care reforms in other provinces – including drawing on private delivery options to augment the cost constraints of the public health-care system – to provide timelier and more cost-effective care for Ontarians.

The private sector already plays a significant role in Ontario’s health-care system. About 30 percent of health-care costs are currently funded privately

between employer-provided insurance and out-of-pocket spending, including, drugs, dental, and homecare. Leveraging private sector capacity to address the surgical backlog would not necessarily affect the current 70-30 public-private split since the contracted surgeries would still be publicly-funded.⁶⁴ The government already leverages private clinics for services such as imaging, diagnostic tests, and low risk surgeries. One example is the Shouldice Clinic in Toronto, which receives public funding for hernia surgeries for which it is recognized as a world leader.⁶⁵ The government also relies on the private sector to build, renovate, and upgrade Ontario hospitals.

The idea that the health-care system is therefore a Chinese wall between public and private is wrong. The question here is not whether the private sector should be involved in Ontarians’ health care but rather how to design and leverage its involvement to eliminate the pandemic-induced backlog and prepare for future demands.

For transparency, the Ontario government should issue public requests for proposals setting specific targets or goals for reducing the backlog and wait times. This would ensure accurate measurement and improve accountability through an open procurement process. Regular public reporting on progress is also required.

⁶⁴ Karen Born and Andreas Laupacis, “Public and private payment for health care in Canada,” *Healthy Debates*, July 20, 2011. <https://healthydebate.ca/2011/07/topic/cost-of-care/publicprivate/>.

⁶⁵ For more on the Shouldice Clinic model, see: <https://www.shouldice.com/faqs/>.

A final lesson is also worth noting for Ontario on how best to leverage the private sector. It is important that the government balance the tensions between focusing on a small number of specialty procedures (such as cataracts, hips, and knees) and addressing backlogs across a wider range of services. While it might seem easy to target specific procedures where the private sector may have a comparative advantage (including low-risk, highly-common procedures), the lesson from Saskatchewan is that prioritizing a small number of procedures can have inadvertent consequences such as placing a heightened burden on a concentrated group of health-care workers.

There is a balance to strike here between leveraging the capacity of the private sector to target well-known and straightforward issues (such as joint replacements) and mitigating these inadvertent consequences including the possibility of creating pressures in non-targeted areas. In order to achieve such a balance, Ontario requires a long-term plan for, and commitment to, addressing all surgical backlogs – not one that solely aims at the pandemic-induced wait lists.

Provinces like B.C. and Alberta have committed to ensuring that their surgical backlog strategies will endure post pandemic. Simply returning to pre-pandemic wait lists is important yet insufficient. It ignores the needs of hundreds of thousands of patients and the millions who are bound to enter provincial health-care systems in the future.

The challenges facing Ontario's health-care system are longstanding and systemic. The pandemic did not cause them. This once-in-a-century pandemic has just made them worse and more visible.

Better use of the private sector can provide surge capacity in the short term and be part of a broader plan to address growing health-care demand as patients resume their normal health-care consumption, the population continues to age, and systemic pressures persist. It is time to get ready now.

ONTARIO 360

Gordon Campbell was the Premier of British Columbia from 2001 to 2011. He was elected as a Member of the Legislative Assembly and leader of the Opposition in B.C. in 1994 and was Leader of the BC Liberal Party (1993-2011). He subsequently served as Canada's High Commissioner to The United Kingdom and Northern Ireland from 2011 to 2016.

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