

**NOTES FOR REMARKS BY
THE HONOURABLE GEORGE SMITHERMAN
MINISTER OF HEALTH AND LONG-TERM CARE**

**BREAKFAST WITH THE CHIEFS
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CHECK AGAINST DELIVERY

Thank you Anton [Hart, publisher, and conference MC] for that very kind introduction.

And thank you all for being here this morning – either in person, or as a part of the distant network audience.

I appreciate your interest in this morning's topic of the "State Of Health Transformation in Ontario". And a speech on this subject could not come at a more appropriate time.

Because this is an extremely significant – I might even say "history-making" -- week for Ontario's health system.

That's because this Thursday our government will introduce legislation which, is passed, will represent a crucial step in the modernization of Ontario's health care system.

I know that many of you are involved in our health system, either on the supply side, in an executive capacity or perhaps in an academic capacity.

So you've most likely heard about our plan for Local Health Integration Networks – or LHINs as they're known. You are, no doubt, also familiar with CCACs and the profoundly valuable work they perform. And, as 'chiefs of industry,' I know you are familiar with the need for organization to change, to adapt, to become more efficient.

These are all subject which we address head-on in this bill.

There's a lot riding on this success of this initiative.

So, I'd like to use my remarks here this morning to tell you a bit more about some of the reforms we'll be proposing, and to talk about LHINs... what they are, how they'll work, and why they are so important.

But first, let me begin by providing a bit of background, a bit of context.

When our party formed the government of Ontario, just over two years ago, we inherited a health care system in critical condition.

During the early briefings I received as Minister, I heard a lot about the demographics of a growing and aging population, the increasing costs of technology, and the escalating costs of drugs and other new treatments.

It was impossible to absorb this information and not have serious concerns not only about the quality of the system, but about its very sustainability. Remember, two years ago our province's finances were also on a fragile footing.

This is an audience with some business acumen; let me share some numbers with you.

In 1981-82, Ontario's health spending stood at approximately about 32% of total program spending.

Over the next 20 years, provincial health-care spending grew at an average annual rate of 7.8%. You can do the math... that's recipe for trouble!

This year, total spending by the Ministry of Health and Long-Term Care is almost \$33 billion -- a 5.9% increase over last year, and an amount which represents 46% of Ontario's total provincial program spending.

And this percentage is projected to increase to about 55% twenty years from

now.

Shoveling more money out the door obviously isn't the answer.

And slowly dismantling our medicare system clearly isn't an option – not for us, not for Ontarians.

The answer is change. Our health care system needs to be transformed; it needs to be made more efficient, more accountable. It needs to be transformed into a true 'system.'

That's a big job. But it's also a job that's absolutely necessary. So we rolled up our sleeves and set out to get it done.

Let me take a few minutes to tell you what we're doing.

We're improving the delivery of health care in Ontario by:

- taking steps to keep people healthier by shifting the focus from illness care to health care;
- improving access to doctors and nurses; and
- fixing wait times and access for critical health-care services.

Here are some examples. Earlier this year we introduced the toughest, most comprehensive anti-tobacco package in North America, including aggressive smoke-free legislation, which takes effect next spring.

And to ensure that we remain committed to efforts like this, our government has created a new portfolio, the Ministry of Health Promotion, devoted entirely to the promotion of healthy and active lifestyles.

We're working hard on Operation Health Protection -- a plan to revitalize our public health system to ensure that we're able to deal with things like disease outbreaks.

We've strengthened the role of the Chief Medical Officer of Health, and revitalized the Public Health System.

We're improving access to doctors and nurses with the creation of Family Health Teams, and investments to increase the numbers of doctors and nurses in the province.

We're increasing medical school enrolment by 15% over the next four years, we're increasing in the number of family residency positions by 70%, and we're training more International Medical Graduates than ever before.

We're also working to increase the number of nurses in the province, and to make their jobs more satisfying and safe.

We've already created 3,052 new full-time nursing jobs. And the percentage of full-time nursing jobs has increased from 51.7% a year ago, to 59% today, according to the College of Nurses.

We're taking action to fix wait times by improving access to:

- MRI/CT scans and procedures;
- Hip and knee total joint replacements;
- Selected cancer surgery;
- Selected cardiac services and procedures; and
- Cataract surgery.

And to demonstrate results, we've creating a system to measure and report to patients about wait times including a website available to all Ontarians with the most up-to-date information on wait times, broken down by procedure, by hospital, and by community.

Next month we'll have developed a comprehensive Wait Times Registry that will allow Ontarians to track and compare wait times for the five key areas in hospitals across the province.

The people of Ontario also deserve independent proof that they're getting a system that delivers the best possible quality of care. And we're delivering this, through the Ontario Health Quality Council.

These are all important steps in the transformation of our health care system. They're not just 'more of the same.' Each one of these steps represents a new way of approaching things.

But there's more to be done. The legislation I'll be tabling in the Ontario Legislature on Thursday will do just that.

Let me begin with CCACs.

Community Care Access Centres – CCACs – are a crucial part of our health care system. But there is room for improvement.

Under our proposed changes, all CCAC services would still be available to Ontarians, and all existing CCAC storefronts would remain in place.

But in order to provide more efficient, more effective service, this bill proposes to reduce the number of CCACs from 42 to 14, in order to align with LHIN boundaries.

CCACs are aware of this proposed realignment, and they support it.

Because this alignment makes sense, it will create a system positioned to provide improved and equitable access for all CCAC clients, and contribute to improved efficiencies.

We're also introducing changes to make CCACs more accountable. Instead of appointing CCAC members and executive directors behind closed doors at Queen's Park, these decisions should be made by CCACs themselves, through open competitions. This bill would permit them to do just that.

Finally, this bill will allow us to broaden the mandate of CCACs, permitting them to serve in an expanded role as system navigators for first-point-of-contact for a broader array of services.

CCACs are an important and effective part of our health care delivery system. We want to make them stronger still.

Let me take a moment to highlight another important component of the legislation we're introducing, that dealing with back-office integration.

I think all fair-minded people recognize that there is room for greater integration in our health care system.

In an era of scarce resources, I think we owe it to the people we serve to ensure that every dollar is spent in the most efficient way possible. And if we can realize more resources for patient care by, say, integrating back-office functions, I think that's the right thing to do.

This bill gives LHINs the power to do that.

While we often talk of a health care "system," the reality is that local health delivery in Ontario evolved in a pretty haphazard way.

In Ontario today, there are dozens of hospitals, hundreds of long-term-care homes, public and private health laboratories, Ministry Regional Offices, District Health Councils, Health Intelligence Units, Community Health Centres, Academic Health Science Centres... well, you get the point.

What's missing is clarity about governance and accountability. It's hard to identify duplication or inefficiencies. It's hard to know where reforms are needed.

Even more troubling, it's almost impossible for the average patient to figure out who does what.

Which means it's very difficult for that patient to make informed decisions about how to navigate through the system, and who can be called to account. That's not right.

Our health care system doesn't belong to doctors, or to hospitals, or to the Ministry of Health at Queen's Park.

It belongs to patients... to people. It's their system. They're the ones who depend on it. And they're the ones who pay for it.

LHINs are one more step to give this precious asset back to the people.

The fundamental test of any public asset is equity.

LHINs are based on a simple premise. It's this:

In an environment where we all agree that there will be fewer resources than we might prefer, it's just common sense that we ask people from local communities, closest to the action, to help determine which local priorities must be supported first.

LHINs will make this possible.

Perhaps the easiest way to explain LHINs it is to look at the name itself: Local.

Health. Integration. Networks.

First and foremost, they are local.

They are located in communities throughout Ontario, and their mandate is to serve those communities. We're taking real decision-making and spending power, \$20 billion of it, and putting it into the hands of local bodies.

The first three members of LHIN Boards are being appointed by the province; once they're up and running, these will be made locally.

And CEO's and staff of these not-for-profit corporations will be hired locally.

LHINs will have the power to make decisions about where money is spent in their region, whether certain services should be strengthened or consolidated, planning services, and how to improve patient care.

Not only will LHINs be locally based, they will also have a duty, an obligation, to consult with their communities about decisions they make.

And the legislation makes it very clear that decisions must be made on the basis of public interest.

The Ministry of Health is not in good position to engage in this kind of consultation; LHINs will be. And decisions they make will reflect the advice they receive.

This will not be a process where decisions are made hundreds of miles away, without regard for local priorities or needs.

The Mike Harris government tried that with their hospital closings and forced amalgamations, and we're still cleaning up the mess they left behind.

So, our choice of the word "local" was very deliberate. When we say "local" we mean local!

The second word is "health." Because that, and that alone, is what LHINs are all about.

Their only goal is to improve and strengthen patient care in their communities. And we're giving them a fair bit of power to do this.

Health services will be improved, there's no question about that. And health service jobs will not be reduced, they will be increased.

Specifically, LHINs are expected to have responsibility over:

- hospitals, both public and private
- Community Care Access Centres
- Mental health and addiction agencies
- Long-term care homes
- Community Health Centres, and
- Community support service organizations

The province will initially retain responsibility for:

- doctors
- ambulance services
- laboratories
- provincial drug programs
- independent health facilities, and
- public health.

The third word is “integration.” And I predict that this is where some people will try to create mischief and spread misinformation.

Let me tell you what “integration” means.

It means sharing information, and facilitating the exchange of information. It means making decisions in an orderly and intelligent way, decisions based on the big picture. And it means making changes in order to help things run better.

Obviously one of the things LHINs will try to do is identify opportunities for greater efficiencies – as I mentioned earlier, by consolidating some back-office functions and reducing duplication.

I think most people in this room would be hard-pressed to explain why we have a half-dozen almost identical offices performing payroll functions for Toronto hospitals located within two miles of each other.

Are there savings to be realized? Of course there are!

But savings realized by local LHINs will be re-invested in patient care in that area – the legislation spells that out very clearly.

Let me be clear: this is not an exercise in cutting costs. This is an exercise in empowerment.

And it's not an effort to introduce sweeping restructuring. It's an effort to do the exact opposite: to provide a degree of stability, of local accountability.

We firmly believe that the best way to make decisions about change is to make them as close to the ground as possible.

Any business person or management expert will tell you, change is essential.

They'll also tell you that you can't run a \$33 billion operation from head office.

LHINs will be able to make the necessary changes, and achieve the necessary integration, all with the goal of improving patient care.

The final word is "Network". LHINs will truly function as networks, sharing information within their geographic areas, and with one another.

We anticipate an unprecedented degree of communication and co-operation, especially around things like sharing of best practices.

For the first time, we will have networks in place that will allow us to build a true "system." Instead of being an empty phrase, the term "health care system" will have actual meaning.

LHINs will not deliver health care services; their job is to ensure that these services are delivered to patients – in the best and most efficient way possible.

And the big winners, of course, will be patients.

Our introduction on LHINs this coming Thursday will, I'm sure, generate some opposition from those who instinctively react negatively to any kind of change; in fact, we're already seeing some of this from the big unions.

I hope I can count on many of you to help explain why it's the right thing to do.

The work that many of you do on a daily basis forces you to confront realities which government, I'm ashamed to admit, was slow to grasp.

But we're now learning these lessons.

We've learned that we don't live in world of limitless resources.

We've learned that the power we have doesn't belong to us, but to the people and that they're entitled to straight answers.

And we've learned that you have to make tough decisions, decisions about the long-term, not just about what's expedient in the short-term.

I'm proud to tell you that the government in which I serve is absolutely, 100% committed to these principles. And, as Minister of Health, I'm doing all I can to

deliver on our commitment to Ontarians.

Our legislation creating LHINs is a crucial part of this process. And I'm pleased to have had this opportunity talk with you about this initiative.

Thank you.

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