The Health System Nurses Want

A Pre Budget Submission to the House of Commons Standing Committee on Finance on Behalf of Canada's Nurses

November 2002

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ISBN 1-55119-902-5

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Introduction

The Canadian Nurses Association (CNA) is a federation of 11 provincial and territorial professional nurses associations representing more than 115,000 Canadian nurses. Its mission is to advance the practice of nursing in the interest of the public.

CNA appreciates the invitation to participate in the Committee's Pre Budget Consultations. For CNA, these consultations offer an opportunity to exchange ideas with legislators for the development of the federal government's fiscal and policy priorities. They provide Canadians, including nurses, the opportunity to talk about the investments needed to make Canada vibrant and sustainable.

For nurses, as for most Canadians, investments in the health system, are the priority.[1] Canadians consider health care a key component of the value system that defines and identifies them as a people (Vail, 2000). Nurses hear that view expressed daily by patients and their families. Nurses also recognize the value of the health system to Canada's economy. We know, for example, in September 2002 Canada's three major automobile manufacturers General Motors, Ford and Daimler Chrysler wrote joint letters with the Canadian Autoworkers Union, to the federal government requesting the preservation and renewal of Canadian medicare. In the letters, the automakers and the union state:

> *"The public health care system significantly reduces total labour costs for automobile manufacturing firms, compared to the cost of equivalent private insurance services purchased by U.S.-based automakers; these health insurance savings can amount to several dollars per hour of labour worked. Publicly funded health care thus accounts for a significant portion of Canada's overall labour cost advantage in auto assembly, versus the U.S., which in turn has been a significant factor in maintaining and attracting new auto investment to Canada."*[2]

1. Refer to the public opinion survey results contained in the annual *Health Care in Canada* reports published by Pollara, a polling company. Also, see Communication Canada's Spring 2002 *Listening to Canadians Communications Survey* of more than five thousand Canadians between 25 April and 13 May 2002. This survey found that 93 per cent of those surveyed gave health care "high priority." This is the highest interest rating of any issue – ahead of national security in the wake of the September 11th terrorist attacks in the United States, unemployment, the state of the economy, taxation, public debt or any other public policy issue. To read the survey results go to http://www.communication.gc.ca/survey/comm_survey_spring2002.pdf
2. To read the contents of the letters go to http://www.caw.ca/campaigns&issues/ongoingcampaigns/jointletter.asp

Nurses know the health system must be invigorated. We believe investments are most needed in renewing the health workforce. We know investments are also needed to improve the responsiveness and the efficiency of the health system itself. These investments will make Canada competitive with its international partners in regard to the recruitment and retention of nurses. They will also help Canada revitalize the health system so that it is capable of meeting the health care needs of Canadians.

CNA presents its proposals for the next federal budget by responding to the following two questions:

- How should Canada attract, educate and keep nurses in the health system?
- How should Canada change the health care system so that it meets changing health care needs?

Human resources are the engine of the health system. In fact, the sustainability of the health system depends on investments in recruitment and retention of professionals and other workers. In the last decade the health workforce has been cutback and largely forgotten.

RECOMMENDATION ONE

The federal government create an Institute of Health Human Resource Planning to:

- Research on productivity; organization of HHR including health care delivery models, skills mix and team structure; effectiveness of interventions;
- Provide support for nursing education and capacity building;
- Facilitate access to continuing education and life-long learning; and
- Coordinate incentives to attract health professional to rural and remote areas.

To correct this situation, CNA recommends that governments develop a national human resource strategy for the health sector. This strategy will address education, workplace and employment issues, as well as scope of practice, continuing education and training. CNA believes the federal government must play a significant role in the development of such a strategy. In particular, the federal government must lead the research and data collection necessary to support the development and evaluation of the strategy. Specifically, CNA recommends that the federal government create an Institute of Health Human Resource Planning to carry out these tasks. The institute would focus on all occupations working in the health sector. The institute would be jointly funded by federal and provincial governments. It would work closely with the Canadian Institute for Health Information (CIHI) as well as the Canadian Health Services Research Foundation (CHSRF), the Canadian Institute of Health Research (CIHR) and other key partners. Its work would support all governments, as well as all stakeholders.

Research

In every province, in the last few years, there have been changes to the structure and functioning of the health system. The changes include regionalization of decision-making, elimination of management positions, re-organization of work units into multi-disciplinary teams, the introduction of information technology and cuts to staff. Little is known about the impacts on the health

of patients, due to these changes. CNA knows that registered nurses work about one quarter of a million hours of overtime every week in Canada. That is the equivalent of 7,000 full-time jobs per year. We also know that the long hours and intensity of the work is taking its toll, in terms of productivity, absenteeism and recruitment of new nurses. Further, we know information is needed to support decisions about staffing patterns and appropriate workloads. CNA recommends that the federal government invest in research on health outcomes related to productivity; organization of human resources, including health care delivery models, skills mix and team structure; as well as in measuring the effectiveness of interventions. These investments would be done within the context of the government's Innovation Strategy.

Nursing education and capacity building

The September 2002 Speech from the Throne noted that Canada can be a *"world leader in innovation and learning, a magnet for talent and investment"* by building on its *"investments in research, literacy and education."* The health sector – an economic sector accounting for approximately 10 per cent of Canada's Gross Domestic Product during the 1990s – can and should be an emblem of new ideas and products for Canada. CNA believes the federal government must invest in enhancing the capacity of nursing to participate in clinical research. This will require scholarships and fellowships for post-graduate education and research work. In particular, CNA recommends 2,500 new seats for masters students, 300 new PhD seats, as well as graduate fellowships. The costs associated with this increase are $170 million over the first two years and $100 million per year thereafter.

According to the final report of the Canadian Nursing Advisory Committee, one of the strongest recurring themes in conversations with nurses across the country is the need for more education after they have entered the profession (Canadian Nursing Advisory Committee, 2002). Demographics and budget cuts in the past decade have meant the loss of leaders in the nursing community. These individuals traditionally provided expertise and support for knowledge transfer through the integration of research findings into nursing practice and the adoption of new technologies, as well as for public policy-making in the health and social fields. Investments are needed to build the capacity of today's nurses to resume these important roles and functions in the health system. CNA recommends that programs be created to develop and sustain nursing leadership.

At the same time, Canada needs to replace the large number of nurses (45 per cent of the current nurse workforce) who will be retiring in the next decade. This will require a strategy that includes increased enrolment in nursing schools, opportunities for clinical training experience and improved linkage between health, education and immigration policies.

Both the United States and Great Britain have recognized the importance of integrating new graduates into practice and facilitating access to nursing education and lifelong learning. On 1 August 2002, American President George Bush signed into law the Nurse Reinvestment Act. This Act commits the American government to investing $135 million U.S. during 2003 to finance various nursing recruitment and retention initiatives as well as to further investments in 2004-2007.

In 1999 British Prime Minister Tony Blair launched a strategy for national government action in Great Britain called *Making a Difference – Strengthening the nursing, midwifery and health visiting contribution to health and healthcare*. In terms of nursing education, this has led to the creation of additional nursing education opportunities; provided flexible approaches to nurse education and training; and developed higher quality and longer nursing student placements.

The American and British initiatives are designed to address nursing shortages in those countries. CNA recommends that the federal government invest in the immediate implementation of a similar strategy. As part of that strategy, CNA proposes that the federal government work in cooperation with the governments of the provinces and territories to graduate 12,000 nurses each year starting in 2008. The costs of this are estimated at $260 million over the first four years and $100 million per year thereafter.

Continuing education and life-long learning

The 2002 Speech from the Throne states that the federal government will act to position Canada as a world leader in fields such as health sciences. To do this requires that workers in the health sciences be supported in maintaining and upgrading their knowledge. This is key for any innovation strategy to be successful.

> *"In times of change, the learners will inherit the world… while the learned will find themselves beautifully equipped to deal with a world that no longer exists."*
>
> Eric Hoffer

CNA recommends that the federal government adopt measures in its next budget to assure continuing education support for nurses. We support the recommendation of the Canadian Labour Congress with regard to using the Employment Insurance program for this purpose. This continuing education support would be governed by the same insurance entitlement rules as those currently used for support, apprenticeship training and other skills upgrading. The Canadian Labour Congress estimates a five per cent uptake of this training annually at a cost of about $5.2 million.

Incentives for rural and remote practice

Rural, remote and northern areas of Canada lack health services in comparison with urban Canada. Research conducted by the Canadian Institute for Health Information (CIHI) demonstrates that this is true in terms of the nursing profession[3] (CIHI, 2002). In Canada as a whole, the absolute number of RNs working in rural Canada has decreased while the absolute numbers of people living in rural and small town Canada has increased.

There are 41,502 registered nurses located in rural and remote areas. This means that 17.9 per cent of all RNs employed in nursing in Canada work in rural areas, where 21.7 per cent of the Canadian population live. The prevailing nurse-to-population ratios are 62.3 nurses per 10,000 population in rural Canada and 78.0 nurses per 10,000 population in urban Canada. These statistics fail to recognize the geographical problems such as distance and isolation that rural RNs must cope with and the problem of access to health care that rural populations face. These ratios also fail to differentiate between various practice patterns and the context (e.g. proximity of physicians and other health care providers) within which nurses work. CNA recommends that the federal government adopt measures, including incentives, to support nurses who choose to work in rural and remote Canada.

RECOMMENDATION TWO:
CNA proposes that the federal government adopt taxation reform measure to accompany its next budget to stop all applications of the Goods and Services Tax (GST) to nursing.

CNA proposes that the federal government adopt taxation reform measure to accompany its next budget to stop all applications of the Goods and Services Tax (GST) to nursing. At present health services are exempt from GST. However, there are limits and

3. To view the highlights of this study go to http://secure.cihi.ca/cihiweb/dispPage.jsp?cw_page=AR28_2000high_e

inconsistencies in the application of this policy. For example, health services are subject to GST when these services are provided in a patient's residence, in a clinic, a physician's office or other setting outside a hospital facility. Moreover for nursing, the current tax situation is such that GST may be applied to nursing services, while the services of other health professionals working in the same offices are exempt from GST application. CNA recommends that the federal government move to correct this inconsistency.

Another issue relates to national coherence. The federal government determines whether a health service falls within the GST exemption, based on the terms of the patient's provincial health insurance plan or provincial regulation of a health care profession. Unfortunately, the criteria creates a situation where a particular nursing service may be GST exempt in one or several provinces but not others. CNA asks that the government change its tax policy to ensure nationally consistent application of the GST exemption. In sum, CNA believes all nursing services, wherever they are delivered, should be GST exempt.

A Responsive Health System

The health system is built on the value that financial barriers should not inhibit people from accessing necessary health services.

RECOMMENDATION THREE:
The federal government fund the expansion of Canada's publicly funded health care system to include:

- a national homecare strategy that has as its starting point coverage for post-acute care and acute-care replacement;
- a national pharmacare strategy developed in cooperation with the provinces and territories that has as its starting point the provision of coverage for people receiving community-based acute care treatment, as well as those Canadians receiving palliative care so as to minimize financial hardship; and
- a national palliative care strategy including support for Canadians to take compassionate leave without suffering employment penalty or financial hardship.

Each of these would be integrated into the health system.

With the advances in technology, Canadians are able to leave hospitals quicker and sicker. Once out, they draw on nursing and other services available in the community. Stabilization of their condition, pain management and recovery are often dependent on pharmaceutical drugs. In other times, these patients would have stayed in hospital and the nursing services and drugs would have been covered by "medicare." Current practice in most of this country excludes from the publicly funded system "acute care replacement" treatment when it is delivered in the community and/or the home. Not surprisingly, this creates financial barriers to health for many Canadians.

At the same time, demographics show Canadians are living longer. One of the side effects of longevity is chronic disease – arthritis, diabetes, degeneration of sight and hearing, etc. The management of chronic disease requires services of health professionals, including nurses as well as pharmaceutical drugs. Again, the fact that these services and drugs are delivered in the community means they are not covered by medicare. The resulting out-of-pocket cost implications mean that some Canadians cannot manage their chronic conditions.

Home Care

Home care is a growing component of the health system. It is used by patients following hospital stays, and it is used by the chronically ill and elderly. Based on a study done in Ontario (Laporte, Croxford, & Coite, 2002), some 15 per cent of people receiving home-care are children; 45 per cent are under 65.

Recent research suggests that home care is a cost-effective form of health services delivery. However, public spending on home care still represents a small proportion of overall provincial health care budgets (Standing Senate Committee on Social Affairs, Science and Technology, 2002). Home care programs vary from one jurisdiction to another in terms of eligibility, scope of coverage and user charges. CNA supports the development of a national approach to home care, which would standardize these elements. It also believes that homecare, which is offered to post-acute care patients, should be covered within the publicly-funded health system.

CNA calls on the federal government to develop a national home care strategy beginning with the provision of post-acute home care. The Senate Standing Committee on Social Affairs, Science and Technology recommends in its Volume Six report on health care that the federal government contribute approximately $550 million per year to a national post-acute home care program that would be jointly financed with the provinces on a 50-50 basis. CNA supports this direction.

Pharmacare

Today many people lack sufficient insurance coverage to purchase prescription drugs. Up to 12 per cent of Canadians currently have no insurance for prescription drug expenses (Lexchin, 2001). Another 100,000 Canadians have annual drug expenses exceeding $5,000 (Standing Senate Committee on Social Affairs, Science and Technology, 2002). Both groups are susceptible to financial hardship.

CNA believes that no one in Canada should have to forego, because of costs, prescription drugs essential for their health and well-being. The federal government should begin the development and implementation of a national pharmacare strategy by addressing this problem. It should build on Canada's existing systems of provincial prescription drug coverage and private supplementary drug insurance plans as a starting point to ensure the provision of coverage for prescription drugs for people without access to insurance. It should also cover the costs of prescription drugs for people receiving community-based acute

care treatment as well as those Canadians who receive palliative care. Again, the elements of eligibility, scope of coverage and user charges need to be standardized. Based on the experience in Australia, the creation of a pharmacare program can reduce the overall expenditures on prescription drugs (Lexchin, 2001).

Palliative Care

By its nature, palliative care is an intense and emotional experience for both patient and caregiver. Palliative care is the active, compassionate care of dying persons and their families when neither the prolongation of life nor curative treatment is possible. Methods of palliation mean that some pain and symptoms can be relieved and other physical, emotional and spiritual needs experienced in advanced disease can be met. Recent studies have estimated that while more than 80 per cent of Canadians die in hospitals, 80 to 90 per cent would prefer to die at home, close to their families and living as normally as possible (Standing Senate Committee on Social Affairs, Science and Technology, 2002).

In its recent Volume Six report on the federal role in health care reform, the Senate Standing Committee on Social Affairs, Science and Technology recommends that the federal government contribute $250 million annually towards a national palliative care program to be designed with the provinces and territories and co-funded by them on a 50-50 basis. CNA endorses this recommendation. It also endorses the commitment in the Speech from the Throne regarding support for Canadians with a dying child, parent or spouse.

RECOMMENDATION FOUR:

Federal government strengthen the public health infrastructure. In addition, the federal government should lead the development of three national strategies:

- a national strategy for injury prevention;
- a national strategy to prevent infectious diseases; and
- a national immunization strategy.

Each of these would be integrated into the health system.

A strong public health system is increasingly important for Canada. It is the public health system that identified and tracks the West Nile virus. It is also the public health system that was put on high alert following the September 11th attacks. The public health system monitors and manages many community based illness-prevention programs, including those for seniors and new

mothers, water and sewage treatment services, immunization initiatives and school health.

Strengthen the public health infrastructure

As is evident from the water contamination in Newfoundland, Walkerton (Ontario), North Battleford (Saskatchewan) and elsewhere, Canada's public health system must be able to deal with these important, and often tragic, events. CNA recommends that the federal government strengthen the public health infrastructure. In particular, CNA recommends that the funding promised in the Speech from the Throne for infrastructure programs be used to upgrade water and sewage treatment facilities across the country.

Injury Prevention

According to a 1998 study published by Smartrisk, unintentional injuries alone cost $8.7 billion annually in health care costs and indirect costs to the Canadian economy (Angus, 1998). Canada's current approach to injury prevention is fragmented. Some efforts, like road safety, have a sustained, national momentum. However, others, such as bicycle helmets, water safety and protective equipment for athletics and sports, are event-driven and uncoordinated. Therefore, CNA urges the federal government to address this problem in its next budget so that Canadians can benefit from a comprehensive national strategy of injury prevention.

Infectious Disease

The World Health Organization estimates that 25 per cent of deaths worldwide are attributable to infectious diseases (64 per cent are child deaths). Infectious diseases include HIV/AIDS, Hepatitis C, tuberculosis, West Nile virus, polio, etc. According to Health Canada, the incidence of infectious disease is growing. Therefore, CNA urges the federal government to develop a strategy to prevent the spread of infectious diseases.

Immunization

Vaccines are cost-effective tools at the disposal of public health organizations today. According to the World Federation of Public Health Associations, every $555 million spent on childhood vaccines translates into $2.5 billion in long-term savings. As a result, CNA supports federal development of a national immunization strategy in cooperation with the provinces and territories.

RECOMMENDATION FIVE:
The federal government invest in actions to address air pollution and climate change.

The quality of the environment affects human health. Toxicological and epidemiological science have identified links between environmental contaminants and health issues such as asthma, impaired capacity to learn, reduced fertility and cancers. CNA believes that protecting human health and preventing disease and death must be the first priority for governments, corporations and individuals.

The spread of infectious diseases can be triggered by changes to eco-systems. The appearance in the northern hemisphere of dengue fever and malaria, for example, has been linked to climate change. Diseases, both chronic and acute, and death can be triggered by contamination of water and the air.

CNA believes that prevention from exposure is the single most effective means of protecting people from environmental threats. It recommends that the federal government invest in actions to address air pollution and climate change.

Conclusion

CNA believes the 2003 federal budget represents an opportunity for the federal government to demonstrate leadership in a policy sector of prime interest to Canadians while working in partnership with health stakeholders and other governments in a manner that is open and accountable to Canadians.

As a first priority, investments are needed in the health workforce. These investments will address shortages and capacity building. The Federal government's roles related to the workforce are linked to its interest in research, as well as its responsibility for the economic viability of the country and the prosperity of its people.

The second area of investment is in the structure of the health system. It is recommended that community-based health services become part of the publicly funded system. It is also recommended that the public health system be strengthened to better address infectious diseases and injuries as well as bio-terrorism and disasters.

The final area of investment is in improving the quality of the environment.

As Reverend Theodore M. Hesburg said,

> *"My basic principle is that you don't make decisions because they are easy; you don't make them because they are cheap; you don't make them because they are popular; you make them because they are right"* (CNAC, p. 31).

The CNA believes the above recommendations are the right thing to do. The cost of implementing these recommendations is not insignificant. The cost of NOT implementing them will damage Canada's vibrancy and sustainability.

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