

Copy an EU Policy, Reduce Canada's Surgical Wait Times

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OUTLINE

Canada's health care system is in crisis. Patients are waiting longer than ever for care, millions are stuck on a waitlist, and tens of thousands are dying before they can get the care they need.

It's clear that bold health care reforms are needed to work through the surgical backlog and get Canadian patients care in a timely manner.

Luckily, there is a policy in Europe that could be implemented in Canada relatively easily to help reduce wait times for patients. Best of all, it can be implemented with a relatively low cost.

It's called the 'Cross-Border Directive.' In the European Union (EU), a patient from one country can travel to another EU country, pay for surgery, then be reimbursed by their home government for up to what it would have cost to have the procedure performed locally.

For example, let's say that the waitlist for knee replacements in France is hypothetically six months long. A French patient doesn't want to wait that long, so he finds a clinic in Belgium with an open slot for surgery in one month. When the time comes, he pays for his train ticket and stays overnight with a friend from college. He receives his surgery, pays for it, and is then reimbursed by the French government.

It's important to note that this policy is essentially cost-neutral in the medium term, since the government will only reimburse patients for up to what it cost to have the procedure done at home. Again, for the sake of example, let's say it costs the French government \$20,000 for a knee replacement surgery, but it's a bit more expensive in Belgium at \$21,000. The patient in the above hypothetical would have to pay the extra \$1,000 out of pocket, a trade-off many would make to save themselves months of suffering.

This means that the cost to the taxpayers shifts - instead of the surgery being paid for next year, it's paid for this year. This could have some minor impact on public finances, but again, it is effectively cost-neutral in the medium term. One potential solution to cover any public debt charges could be to reimburse patients at 95% of the cost of the surgery. Then, the extra 5% could be used to pay for any debt interest charges incurred by the government.

However, it's also possible that money could be saved - let's say that a patient decides to receive surgery in another country where it's actually \$1,000 cheaper. In that case, that's an extra \$1,000 in government coffers.

The Cross-Border Directive also helps those who choose not to leave the country for care. While many people will decide they would rather stay at home for care, cues will shorten for them as other patients receive care abroad. Every time someone leaves, everybody behind them on the waitlist moves up a spot.

To be clear, this policy is not a silver bullet that would fix all of the Canadian system's woes. However, if implemented, it could make a quick, measurable impact on both average wait times and the number of Canadians on waiting lists, with the added benefit of bringing little to no extra cost to the taxpayer. Perhaps most important is how the Cross-Border Directive opens up real choice in health care to middle and low-income Canadians. Wealthy Canadians already have the option to travel far away and pay for care. Many do so. This policy would offer what is currently a luxury for those with high incomes to everyday, working-class families and individuals.

THE PROBLEM

In order to understand why reforms like the Cross-Border Directive are needed in Canada, it's important to explore the state the country's health care system is in.

Canada's government monopoly on health services does not put patients first. Patients have little to no choice within the public system. The attitude of opposition towards private sector involvement means that there's little to no competition. Funding for hospitals and clinics is not based on the amount of care given. All of that means there is a lack of economic incentive for the health care system to improve.

The fruits brought about by this monopolistic approach are clearly rotten.

The most recent data from SecondStreet.org¹ shows that nearly 3 million Canadians are on a waitlist for surgery, a diagnostic scan, or to see a specialist. Given that some provinces provided incomplete data, it's estimated that the true total is likely closer to 4.7 million.

Sadly, thousands of Canadians die before they can even receive care. Data also acquired by SecondStreet.org shows that, since 2018-19, 53,215 Canadians have died while waiting for medical care.¹ Most of these are cases in which someone is waiting for a procedure that would improve their quality of life, such as a knee or hip replacement. This is still a serious problem: in a developed and prosperous nation like Canada, seniors shouldn't have to spend the final years of their lives in pain because the system couldn't get around to replacing their hips. There are also cases in which patients die before receiving potentially life-saving care, such as cardiac surgeries.

Take, for instance, Judy Anderson.² The Ontario mother lost both of her adult daughters to genetic heart conditions that could have been treated, had they been given care in time. In both cases, Anderson received a call from the hospital to schedule treatment after her daughters had died. One can't imagine how distressing that would be.

¹ SecondStreet.org. 'Canada Waits - Your One Stop for Health Care Data.' <https://secondstreet.org/canada-waits/>

² SecondStreet.org. 'Mother Loses Two Daughters Due To Waiting Lists.' May 29, 2021. <https://secondstreet.org/2021/05/29/mother-loses-two-daughters-due-to-waiting-lists/>

Patients who don't die directly from their condition can also face immense suffering. Consider the plight of Regina woman Jolene Van Alstine.³ She was diagnosed with a painful thyroid condition and endured a wait of around six years for treatment. In that time, she dealt with brutal bone fractures, constant nausea, and abdominal pain. After the long wait, she received surgery, but it was unsuccessful. With another long wait for care ahead of her, she decided to apply for assisted suicide.

While these are some of the more extreme cases, long waits are becoming more and more common.

The Fraser Institute has been tracking the average surgical wait time in Canada since 1993, when it was a mere 9.3 weeks. In 2022, that average wait has increased significantly to 27.4 weeks.⁴ There are two important things to note about this data. First, the actual wait times are longer. Fraser's data calculates only how long the average patient waits between seeing a specialist for a surgical referral and actually receiving surgery. It's common for patients to wait a long time before even seeing a specialist. Second, this number is just an average. As noted above, there are many cases where patients wait years for care.

It's clear to see that Canadian patients are suffering. Bold reforms are needed to get the Canadian health care system on the right track.

THE POLICY

The Cross-Border Directive grants a right to patients in EU member states. While Canadian provinces do sometimes reimburse patients for medical care received abroad, it's far from commonplace.

In universal health care systems across Europe, choice is emphasized to a degree that many Canadians would likely find shocking. Countries like France, Sweden, and the Netherlands all allow citizens the option to pay for care at a private clinic if they so choose. Governments also routinely contract private companies to run clinics and even hospitals. This fosters a competitive environment, raising standards and offering more choice for consumers.

The Cross-Border Directive is an extension of that patient-centered mentality. If a government is unable to provide surgery within a reasonable timeframe, it stands to reason that patients should have the right to look elsewhere.

So, if the Cross-Border Directive were to come to Canada, what would it look like? How would it be implemented, and who would be responsible?

Considering health care is a provincial jurisdiction, it's up to provincial governments to implement this reform. Different governments have different levels of ambition when it comes to health care reform, so it's necessary to pinpoint one that has both a positive track record on health reform and goals to improve the system further.

³ 650 CKOM. "No hope anymore: Regina woman waiting for medical specialist considers MAID." December 1, 2022. <https://www.ckom.com/2022/12/01/no-hope-anymore-regina-woman-waiting-for-medical-specialist-considers-maid/>

⁴ Fraser Institute. "Waiting Your Turn: Wait Times for Health Care in Canada, 2022 Report." December 8, 2022. <https://www.fraserinstitute.org/studies/waiting-your-turn-wait-times-for-health-care-in-canada-2022>

Danielle Smith's United Conservative Party (UCP) government in Alberta is an ideal candidate.

Alberta has contracted private providers to perform publicly-funded surgeries many times,⁵ a strategy which, as mentioned earlier, is often employed in Europe. This is for good reason: it has reduced wait times both in Canada⁶ and abroad⁷. Despite backlash from activists, Smith has shown no signs of slowing down on this positive step.

While running for office with the Wildrose Party in 2012, Smith proposed a similar policy to the Cross-Border Directive – reimbursing patients for surgeries received abroad. In a recent radio appearance, Smith mused further about the idea and seemed warm to it.⁸

“If we are not treating people here within a medically reasonable period of time, then we have to be able to support them getting their care elsewhere.”

It's positive to see this idea gain traction. However, Smith and her government will have many considerations to take into account before launching the Cross-Border Directive.

For one, its political feasibility. The UCP won a majority government in the June 2023 Alberta election. That means it has plenty of time to implement this policy without worrying about the political instability an upcoming election provides, nor does it have to worry about opposition parties banding together to shut down such a policy.

While public sector unions will likely oppose any bold health care reform, Smith's government need not worry. Research shows that the Cross-Border Directive is overwhelmingly favoured by Canadians. A 2022 Leger poll⁹, commissioned by SecondStreet.org, showed that 72% of Canadians (and 71% of Albertans) were in favour of directly copying the EU policy. A mere 14% of Canadians disagreed with the policy option.

⁵ Globe and Mail. “Alberta expanding use of private surgical centre in Calgary in bid to reduce wait times.” January 23, 2023. <https://www.theglobeandmail.com/canada/alberta/article-alberta-expanding-use-of-private-surgical-centre-in-calgary-in-bid-to/>

⁶ SecondStreet.org. “A Look at the Saskatchewan Surgical Initiative.” November 5, 2022. <https://secondstreet.org/2022/11/05/a-look-at-the-saskatchewan-surgical-initiative/>

⁷ Montreal Economic Institute. “Saint Görán: A Competitive Hospital in a Universal System.” October 17, 2017. <https://www.iedm.org/74919-saint-goran-competitive-hospital-universal-system/>

⁸ Edmonton Journal. “Alberta Premier Danielle Smith muses about paying for out-of-province surgeries.” July 10, 2023. <https://edmontonjournal.com/news/local-news/alberta-premier-danielle-smith-muses-about-paying-for-out-of-province-surgeries>

⁹ SecondStreet.org. ‘Policy Brief: Poll Shows Canadians Continue to Want Health Reform.’ October 25, 2022. <https://secondstreet.org/wp-content/uploads/2022/10/Policy-Brief-%E2%80%93-Canadians-Want-Health-Reform.pdf>

With such a sweeping consensus, it's unlikely the UCP government would face any legitimate public backlash outside of union and media circles.

However, this doesn't mean that Smith can simply snap her fingers and have patients jetting off to other countries for care.

A slowly implemented pilot program is likely to be the most effective solution.

Alberta could begin by identifying the surgical procedures with a large number of patients waiting a longer-than-average time. For example, the Alberta Bone and Joint Health Institute reports that, between April and June of 2023, the average wait for a consult for knee replacement surgery in the province was 44.3 weeks, with an additional average wait of 50.4 weeks on top of that to actually receive surgery.¹⁰ That's a nearly two-year wait: a situation that should be addressed as quickly as possible.

The Alberta government could begin to implement the Cross-Border Directive with patients waiting for knee replacements. Simply contact patients who are on the waitlist and inform them of the new option to seek care in another jurisdiction and indicate the amount the government is willing to reimburse if they seek care abroad. Some patients would decide to make the trip and pay for their travel costs, rather than wait years to ease their pain.

The government could also potentially start with a short list of other jurisdictions with high medical standards, to ensure a patient doesn't wind up getting sub-par care in a country that is unable to live up to Canadian standards. Other Canadian provinces which may have shorter wait times, the U.S., and the EU would be a good start.

The pilot project could last for, say, six months. If there is a measurable decrease in the number of patients waiting, the average wait time, or both, the program could then be expanded to other high-priority procedures. Surgeries for life-threatening conditions, such as cardiac or brain illnesses, could be at the top of the list, while other quality-of-life surgeries like hip replacements and cataract replacements could also be covered.

This gradual implementation would accomplish a number of goals. For one, it would allow the government to work out any issues when it comes to billing and reimbursement, as well as how to cover any marginal costs that might occur due to interest charges on paying for surgeries earlier. Secondly, it would provide micro-level data on how the policy directly affects wait times, using one or two procedures as a baseline example. Perhaps the waitlist is shortened by five or 10% - that can be used to justify expanding the Cross-Border Directive further.

A gradual implementation in Alberta could also serve as a positive example for other provinces. Next door in Saskatchewan, there's also a provincial government with a relatively friendly track record towards health care reform. The Saskatchewan Party government has stayed the course with contracting private providers,¹¹ and it has even used tax dollars to pay

¹⁰ Alberta Bone & Joint Health Institute. "Wait Times for Hip and Knee Replacement." <https://www.albertaboneandjoint.com/for-patients/wait-times/>

¹¹ Saskatoon Star-Phoenix. "Saskatchewan will pay private clinics to help close surgery gap." July 25, 2022. <https://thestarphoenix.com/news/saskatchewan/saskatchewan-will-pay-private-clinics-to-help-close-surgery-gap>

for some patients to receive knee and hip surgeries in Alberta.¹² If, after adopting the Cross-Border Directive, Alberta were to see a noticeable drop in wait times, it's quite likely the Saskatchewan government would follow suit. The Manitoba government has also dabbled in cross-border care, even sending some patients to Ohio for orthopedic surgery.¹³ It could also follow its Western neighbours' lead.

With the three Western provinces improving patient choice and health outcomes, it's quite likely that other provinces would take notice. If Ontarians or Nova Scotians noticed that their friends in the west had more choice, they would likely begin to ask why they don't have the same option.

It's clear that implementing the Cross-Border Directive could be done in an effective and politically feasible way.

That being said, it must be noted that this policy is not an end-all-be-all solution. There are a number of challenges and drawbacks to consider, and it's not a silver bullet that will end all of Canada's health care woes.

For instance, many Canadians will simply prefer not to travel. Going through a major surgery is difficult at the best of times. Many would likely prefer to stay at home and be able to return home as soon as possible after surgery, with family and friends nearby to help during a tough time. This concern is totally fine: the Cross-Border Directive is a completely voluntary program.

There's also the consideration that some won't be able to afford the up-front cost before government reimbursement. While getting a short-term loan is certainly a solution, some won't have the credit score to do so.

Another question to consider is follow-up care. Seeing a doctor at home to make sure there are no complications could be a challenge. Some may even argue that complications are more likely in other countries than in Canada. However, this would depend totally on the country in which the patient received care. The U.S. and many European countries have care standards that are as high or higher than Canada.¹⁴

One could also consider the Cross-Border Directive slightly detrimental to local economies. Patients would be spending money on hotels and food in another province or country. This means those dollars won't be contributing to their province's economy. However, this is a minor consideration in the grand scheme of things.

¹² CTV News Regina. "Saskatchewan to spend \$6 million for some hip and knee surgeries in Calgary." March 30, 2023. <https://regina.ctvnews.ca/saskatchewan-to-spend-6-million-for-some-hip-and-knee-surgeries-in-calgary-1.6334560>

¹³ CBC. 'Manitoba inking 3 more deals with private providers for out-of-province surgeries.' May 19, 2023. <https://www.cbc.ca/news/canada/manitoba/manitoba-two-contracts-out-of-province-surgeries-1.6847233>

¹⁴ The Commonwealth Fund. "Mirror, Mirror 2021: Reflecting Poorly: Health Care in the U.S. Compared to Other High-Income Countries." August 4, 2021. <https://www.commonwealthfund.org/publications/fund-reports/2021/aug/mirror-mirror-2021-reflecting-poorly>

Another minor drawback could be a slight increase in carbon emissions due to patients driving or flying long distances for care. Again, considering that Canada in general provides a tiny fraction of the world's carbon emissions, this is unlikely to be a major consideration.

Despite these challenges, it's clear that the good from the Cross-Border Directive outweighs its marginal challenges.

CONCLUSION

Canada's health care system is sick. It is in dire need of bold, new solutions to help stop patient's suffering. But what is at the root of the country's health care woes?

For decades, governments in this country have placed an ideal of a monopolistic, totally government-run system above patient outcomes. This appears to be slowly changing, and will hopefully continue to do so. While many changes will need to take place before Canada's system reaches a consistently acceptable level of timely care, the Cross-Border Directive could help put patients in control.

The government-run system has an obligation to provide timely care. If it cannot do so, it is completely reasonable for patients to expect other options to be accommodated. As the system currently runs, patients must either wait months or even years for vital care, or they can travel elsewhere and pray that the government might help them recoup some costs. Oftentimes, those prayers are not answered. It's a system run from the top-down: the government makes the decisions for Canadians, rather than Canadians having any agency over their own care.

The Cross-Border Directive opens up more options to middle and low-income families and individuals. Sure, it isn't ideal to pay for a trip to the U.S. and potentially an extra \$1,000 or so to receive a life-changing surgery. Finding the money may be difficult for some. But Canada's health system is far from ideal. There are no perfect solutions: what matters is getting more people the care they need more quickly.

The benefit to patients who directly use the Cross-Border Directive, as well as those who decide to stay at home and get to move up on the waitlist, is more than worth the trouble from ironing out any small kinks that might pop up along the way.