"Emerging Solutions": Quebec's Clair Commission Report and Health Care Reform

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CPRN Backgrounder

The Quebec health care system is seen by many as a distinctive example of the positive role of the state in social affairs and the success of an integrated design of health and social services. The release of the report of the Commission of Study for Health and Social Services (Commission d'étude sur les services de santé et les services sociaux), entitled "Emerging Solutions" (Solutions émergentes) is an important milestone in the development of health care in Quebec and, in both symbolic and practical terms, a significant marker in the evolution of health reform debates across Canada. Because the Commission directly addresses issues of paramount concern across provincial health care systems, its report and recommendations bear careful review by all interested parties.

The Commission, led by Michel Clair, was formed in June 2000 at the request of the Minister of Health and Social Services, Pauline Marois. Its mandate was to study the financing and organization of health care and social services and to recommend ways to protect, adapt, and improve the system. The commission's work was done efficiently, if intensively: it sat for several weeks in the fall of 2000, hearing from 220 organizations, 6000 individuals and 30 international experts, and received 550 written submissions. The eight commissioners then produced a 400 page document (240 pages of text plus annexes) that includes 95 "avenues" or solutions, including 36 recommendations and 59 proposals to support them.

Although the Commission's overall message suggests the underlying values of the existing health care system (namely, solidarity and equity) should be maintained, it argues that a new sense of purpose to "decide, act, evaluate, adjust" should guide health reform. It is evident that Clair and his colleagues are, in their own words, recommending several "revolutions" in the way in which health care services are delivered and financed in Quebec. These revolutions accept the fact that there are limits to what states can provide for their citizens and that hard choices have to be made about what services lie within those limits where resources are scarce. Clair suggests, in essence, that the government should adopt a "big bang" approach, or "new paradigm", to rise above the sound and fury of current reform debates and implement rapid and effective measures to respond to the real-life problems of health care and social services.

The editorial reaction to the Clair Commission report reflects different perceptions on just what kind of revolution is needed in the Quebec health care system. By suggesting real and effective solutions, writes Jean-Robert Sansfaçon in Le Devoir, the Clair Commission represents a desperately needed new beginning to "save the ship" of the health care system. Alain Dubuc in La Presse, is more sanguine, arguing the report offers "small steps" that may, over time, sow the seeds for long-term radical change. In the Montreal Gazette, meanwhile, the perception is that the report "prefers to tinker with the system"

and fails to offer dramatic change, particularly in terms of private sector initiatives.

Major Findings and Recommendations

The Clair Commission report identifies problems and solutions with reference to four main areas of change: the organization of health care services, the development of human resources, the accountability of governments to their citizens, and the public financing of health and social services.

Reorganizing the delivery of services

The Commission's most important and immediate recommendation is directed at the reorganization of "front-line" services. Critical of what it considers the total disarray in service provision (including overcrowded emergency rooms, understaffed community health clinics and the lack of continuity of care), the Commission suggests the creation of a new network of family physician practices. These practices would include six to ten doctors and 2 to 3 nurses responsible for a roster of 1,000 to 1,800 patients. They could be composed of physicians working out of their own clinics or salaried staff in community health and social service centres (known in Quebec as CLSCs, "Centres locaux de services communautaires"). Ideally, these family physician practices could provide round-the-clock availability of primary services for every Quebecer, and would coordinate access to second- and third- line services offered by hospitals and CLSCs. Payment for these family medicine group practices would involve, according to the Commission, a reassessment of fee-for-service practice and a mixed system of general allowances, capitation on the basis of enrolment, and fees for certain services.

Doctors would also be better equipped to deal with their patients' needs through the introduction of electronic "smart cards" to link patient information from clinic, hospital, laboratory and pharmacy databases. In addition, the Commission recommends integrated services (prevention, detection, cure) for specific target groups (infirm elderly, mentally handicapped, chronically ill), to be budgeted for by the regional boards and coordinated by the CLSCs. The CLSCs themselves would reclaim their role as key institutions in providing social services, most importantly in offering a comprehensive array of essential "psyco-social" services. They would also be responsible, in tandem with regional boards, for monitoring the quality and performance of long-term care facilities.

Reviving motivation among health care professionals

In its discussion of human resources, the Commission seriously addresses the negative impact of "moroseness" among health and social service providers. It

argues that a more stimulating, dynamic and motivating environment must be fostered throughout the health and social services network in Quebec. It sees as part of the solution recognizing the importance of professionals in the system, allowing for more autonomy in the training and hiring of staff in health care establishments and for more local input in establishing regional priorities, as well as encouraging excellence in research and entreprenureship among physicians. Nurses, in particular, are singled out as essential partners in the provision of front-line services, specifically in terms of their role in health promotion, patient education, and the coordination of complimentary services with other health professionals.

The importance of accountability and citizen engagement

The Commission also breaks new ground in its discussion of government accountability and citizen engagement in the health care and social services system. Although it rejects the idea of replacing ministerial administration with an arms-length, state-owned enterprise, the Commission does suggest concrete ways in which the MSSS (Ministère de la Santé et des Services sociaux) and regional boards (Réseaux des Régies régionales de santé et services sociaux) could ensure better accountability to citizens. The report is clearly inspired by new public management principles in its emphasis on "performance" and "results-based management." Allaying rumours that regional boards are to be abolished, Clair instead identifies them as the pivotal institutions in streamlining and better organizing Quebec's health care system. The key elements in this scenario are the redefinition of their role and responsibilities, the appointment (rather than election) of "competent administrators" to the boards, considerably more autonomy in the allocation of budgets within their territory, and triennial performance contracts between the regional boards and individual hospitals.

Clair also seeks citizen engagement in debates about choices and priorities, particularly with reference to what services should be covered under the public system. Recognizing that no modern health care system can provide everything to everyone, the Commission urges a public debate on the obligations of government to insure a "basket of services". In so doing, the Commission argues that the time has come to "modernize" the Canada Health Act to allow governments – and their populations – the flexibility to identify their collective health care concerns and to determine how their needs can be met within the confines of available public resources.

New modes of financing health care

Finally, the Commission addresses the primary objective of its mandate, the financing of health and social services in Quebec. The report states unequivocally that, in light of growing health care costs and Quebec's vulnerable fiscal situation, government should rethink how much public money is allocated to the health care

sector. The Commission emphasizes the fact that Quebec already devotes 40% of program spending to health care, a situation that jeopardizes the government's capacity to finance other programs. It also takes the federal government to task for past cuts in the Canada Health and Social transfer and suggests it should be prepared to increase these "too rigid" and "too sparse" contributions at least five to six-fold.

The Commission proposes two "shock" treatments to ease the financial burden of health care on Quebec's public purse. The first is the recognition of an imminent demographic transition – namely, the aging of Quebec society – which the Commission fears will overwhelm the health care system. To offset this, the Commission suggests the implementation of a new contributory insurance system paid for by all workers to cover "loss of autonomy", i.e., long-term geriatric care and the needs of the elderly chronically ill. The new program would cover home-care and institutional care, but not outpatient drugs already covered by the existing Quebec drug-insurance plan. Entry into the program would be determined by a CLSC evaluation of the individual, based on the existence of an "irreversible" condition or illness of more than six months duration. While the report does not situate the specific cost-control mechanism of such an arrangement, it does suggest that it would serve to offset the financial impact of paying for such care by "younger generations."

The second, and perhaps more controversial, financing proposal speaks to the importance of the private sector as a "partner" in the health care system. The Commission emphatically rejects the creation of a parallel private health care system that would lead to "two-tiered" medical provision. It also warns that user-fees would damage the solidarity of the public system. However, the Commission does make it clear that governments have to make hard choices about how to allocate limited resources. Here, it suggests, partnerships with the private sector are inevitable and, if properly regulated, can provide the necessary funds to strengthen the existing health care system. In positive terms, Clair considers the private sector a valuable source of resources that can be "harnessed" to help solidify the health care system. The Commission suggests three specific avenues for public-private sector partnerships: sub-contracting of diagnostic testing and minor day surgery provision; the building of long-term care and nursing home facilities; and the massive injection of investment money for present and future technology needs.

Policy implications:

The Clair Commission's recommendations address some of the most fundamental issues concerning health care reform in Quebec and in the rest of Canada. In so doing, Clair and his colleagues open up a crucial debate on the sustainability of the present model of health care organization and financing. This raises four important policy implications: the reorganization of primary care services; reinterpreting the definition of medically necessary services under

public insurance; singling out the long-term care needs of the elderly and other most vulnerable groups; and the entry of additional private sector interests into the health care system.

Front-line services and primary care

In addressing the most pressing concern of the Quebec health care system, the efficient delivery of health care services, the Clair commission makes its boldest and most far-reaching policy recommendation. Instead of simply advocating more money to allay hospital budgets and emergency room needs, the report takes on the organization and financing of service delivery itself. The Commission casts a very critical eye on fee for service remuneration, particularly in terms of the way in which this payment structure discourages an interdisciplinary approach to health needs and contributes to discontinuity in the provision of medical services. It envisages seamless, integrated delivery that speaks to the centrality of primary care, and builds on the distinctive character of the Quebec health care system, namely the relative autonomy of general practitioners and the integration of services in the existing CLSC network. The Fédération des médecins omnipraticiens du Québec (representing general practitioners) supports this reorganization of front-line services in principle, as does the federation of CLSCs. Both groups, however, maintain that the move to rostering will involve significant start-up costs and may create considerable confusion among patients and doctors alike.

Defining the basket of services

Reaction has also been positive to the suggestion of opening public debate on what should be covered under public insurance. Essentially, the report calls into question the imposition and implementation of rules under the Canada Health Act. The commission puts much more emphasis on the norms of “choice” and “performance” identified by the World Health Organization. Although set in the context of laudable principles such as accountability and engagement, the real policy implication of these new norms is to suggest that, since governments have limited fiscal capacities, citizens will have to make choices about what services should be publicly covered. This of course begs the question of how citizens are to make such choices, and on what basis, and how consensus is to be achieved or imposed. Clair seems confident of a solid consensus about the underlying values of the public model in Quebec. However, launching debate on the definition of what medical services are to be insured by public funds will more probably pry open a Pandora’s box of conflicting values and interests.

Singling out the “costly” elderly

The Clair Commission emphasizes the needs – and costs – of health care for aging baby boomers and claims with conviction that they will become a catastrophic drain on resources. In effect, the report singles out an aging population not so much as a deserving group but as a demographic time bomb to be defused. The report urgently recommends the creation of a contributory public insurance scheme to off-set the costs of chronic illness and long-term care for the incapacitated elderly, not so much in terms of solidarity with the aged but rather in terms of avoiding a financial crisis for the state. However, nowhere in the report do the commissioners consider available evidence that challenge these underlying assumptions. There is an on-going and as yet unresolved debate in the scientific community about the true cost burden of health care for future elderly populations, in which some maintain that demographic time bombs may turn out to be duds.

Reaction to the proposal for a "loss-of-autonomy" insurance plan to offset these assumed costs has been predictable: firm resistance to new taxes, even in the form of contributory payroll deductions. (The report does not estimate the costs of such a plan to individuals but, unofficially, the media have reported a price tag of about $100 per year per worker). Part of this negative reaction is related to Quebec's existing pharmacare program, which has had a troubled existence due to mounting deficits and rapidly increasing premiums. Unlike pharmacare, this plan would involve the creation of a capital base and be administered as a public fund. Nevertheless, many groups representing the interests of the elderly, such as the Fédération de l'âge d'or du Québec, remain wary or openly hostile to the proposed plan.

Forging public-private partnerships

The central premise of the Clair commission report, that the Quebec health care system has "hit the wall" in public financing, is most evident in the recommendations for new partnerships with the private sector. The report recognizes that more investment in the health care system is needed, but that this need not – indeed cannot -- be limited to public investment. The policy implications of this search for new sources of financing are far-reaching: essentially, the report recommends that government encourage private sector investment in some of the "bricks and mortar" of the health care system (such as long-term care accommodation, diagnostic laboratories and day surgery clinics) while regulating the sub-contracting of services by these facilities. Although these partnership are deemed essential to prevent a collision course between Quebec's precarious public finances and growing health care costs, the report provides no estimate of the impact of such proposals on Quebec's budgetary situation or on cost containment in specific health care sectors. Nor does it address a crucial debate in the health economics literature about the relationship between public costs and total costs in paying for health care services.

If reaction to this trial balloon can be considered a litmus test of private sector involvement in health care, then there seems to be a growing tolerance of this policy option. Nevertheless, this is the one recommendation in the report where reaction is noticeably split: on the one hand, physician groups (particularly the Fédératon des spécialistes du Québec and the Quebec Medical Association), hospital associations and economic think-tanks have embraced these proposals as long overdue (although some say the report does not go far enough in allowing private sector flexibility); on the other hand, most labour unions and community organizations consider them premature and questionable. One such group, the Coalition of Physicians for Social Justice, contending that supporters of public insurance were marginalized by the Commission and in the health reform debate, held "alternative" commission hearings, and argued for "zero acceptance of any new initiative of privatization" in its report.

Conclusions

On one level, the Clair Commission offers a much-needed critique of the status quo in Quebec's health care system. In this sense, the Commission's report is a determined attempt to think outside the box in policy terms, casting a sober eye on the problems afflicting the health care system and trying to make feasible suggestions that avoid ideological sparring or quick-fix solutions.

On another level, however, the Clair Commission pushes the Quebec health care system into uncharted waters that may be difficult to navigate. For the first time, a Quebec government-sponsored report has identified the limits to public sector capacity in the health care sector. In so doing, the report raises doubts about the long-term sustainability of a public model of health care provision.

Although the Commission defends the values of the existing health care system, it wisely warns against holding on to the status quo for "nostalgic" reasons. By the same token, however, the report fails to visualize the potential future effects of some of its more contentious recommendations, including the identification of a basket of services, the imposition of premium-based financing and, most significantly, the endorsement of public-private partnerships. Such fundamental policy choices may have staying power – and unintended consequences – that are hard to gauge. In addition, it remains unclear from the evidence presented in the report that these proposals are totally compatible with ensuring the improvement and longevity of a publicly-funded health care system. While these "emerging solutions" cannot be rejected out of hand, several elements of the report, if acted upon blindly, may ultimately function as a Trojan Horse and unleash more revolutionary change in Quebec's health care system than Clair and his colleagues could have imagined.