

ON HEALTH CARE

May 2005

Local Health Integration Networks

Once again, the Ontario government wants to “transform” health care – this time by creating Local Health Integration Networks (LHINs). Fourteen LHINs will plan, integrate, and fund hospital, nursing home, home care for aged, home care, addiction, child treatment, community support, and mental health services. And – once again – public health care is under the gun.

Cutting Community Jobs and Services

Support Services Threatened: Right from the start, the Liberals have focused on shrinking and centralizing support and administrative services by helping to create organizations like “Hospital Business Services”. These new organizations will take over and centralize support services formerly provided by hospitals, homes and other non-profits. The plan is to then **contract-out** many of the services taken over by these new regional organizations.

Clinical Services Threatened: Naturally, the Liberal government initially talked only of integrating or centralizing support services. However, the hospitals indicated that the desired cost savings would require clinical cuts as well.

By April 2005, the government admitted as much, with Health Minister George Smitherman publicly calling for the centralization of hospital surgeries and taking less serious surgeries right out of hospitals.

This squarely raises the possibility of **the establishment of for-profit surgical clinics**. Indeed, when Smitherman announced his interest in surgical clinics, the chosen sponsor of his speech proposed private sector clinics providing two tier care as soon as Smitherman sat down.

Small Communities Threatened: While all communities will be affected by centralization, smaller communities are especially threatened, with community members forced to travel even further. Local communities will also be hard hit by job loss.

But centralization doesn't necessarily mean cost savings. Indeed, the most recent government experiments with it have led to increased costs: i.e. the merger and closure of hospitals and the centralization of jail services under the former Conservative government.

Bottom line: “Integration” will likely be used as a cover for removing jobs and services from local communities and privatizing health care services.

Eroding Community Control

The government emphasizes the movement of some powers from its direct control to the LHINs. However, the autonomy of the LHINs from the government will be very modest. The LHIN boards will be appointed by the provincial government, board members will receive (for the first time) payments from the province, and LHINs will be required to sign memorandums of understanding and annual performance agreements with the ministry.

So LHIN boards will be primarily responsible to the provincial government rather than local communities. Not surprisingly, corporate bosses play a prominent role in the initial list of LHIN appointments, including the former Chair of the Toronto Stock Exchange.

Hospitals boards are not appointed by the provincial government and they have fiercely (and effectively) fought for better funding for their communities. But when community care access centre boards were taken over by the provincial government in 2001, they immediately ceased public campaigns and their funding was flat lined.

/over→

Compounding this lack of community control, the proposed LHINs cover vast and very diverse areas. The LHIN boundaries have been formed based on hospital referral patterns, overriding political and social boundaries. So, Scarborough is in the same LHIN as Halliburton. Toronto is split out over five LHINs that cover large parts of southern Ontario. All of north eastern Ontario is lumped in one vast LHIN.

The proposed LHINs are not “local”, they are not based on communities, and they do not represent communities of interest. As a result, they lack any basis for political coherence. It will be very difficult for the people living within a LHIN to have a significant voice over the direction of that LHIN.

Conflict within the LHINs: The large, socially diverse areas covered by the LHINs also suggest that there will be significant conflict over resource allocation within the LHINs. Already there are clear signs of this.

Since the early 1990s, all other provinces have moved to some form of regionalized health services. So it is notable that these other provincial governments regularly change regional boundaries – sometimes radically.

Bottom line: The proposed LHIN structure puts up significant barriers to local community control of health care. Conflicts between communities within a single LHIN are likely. Changes to LHIN boundaries are also quite likely.

Provincial Government Accountability Diminished

Flak Catchers: LHINs will insulate government from decisions to cutback or privatize services by creating another level bureaucracy that will catch much of the “flak”.

The government will control LHINs (by appointing board members, establishing accountability agreements, and setting funding levels) but the LHINs will actually implement decisions. They will be the first targets for popular discontent, even if their actual autonomy from government is more imaginary than real.

Bottom line: We will have to deal not just with the provincial government (and health care providers) but also with the 14 LHINs. Likely, the provincial government will respond to complaints by stating that “it was not our decision – it was a decision of the LHIN.” Yet, as noted, the LHIN will largely be unaccountable to the local community.

Privatization

LHINs require a split between the purchasers and providers of health care services. Such a split has already been established in home health care, where community care access centres fund home care providers through a system of competitive bidding. In effect this means **compulsory contracting out** of home care services. Providers regularly lose contracts and home care workers have no successor rights. As a result, wages, benefits, and collective agreements are very weak and giant for-profit corporations are squeezing not-for-profit organizations out. We must prevent this from happening in other health care sectors.

Bottom line: Whatever the funding methods finally decided upon, increased privatization and competition between providers will likely be a feature of the purchaser-provider split required by the current LHIN proposal.

Bargaining Units Thrown into Question

The Ontario Hospital Association has raised the possibility of the LHINs becoming the employer. If this happens, the status of all bargaining units in the Ontario health care sector is thrown into question. Even if this does not happen immediately, CCAC bargaining unit restructuring is likely as the CCACs move to align with LHIN boundaries.

Future changes in LHIN boundaries are quite likely, given the experience in other provinces with regionalization. So if representation rights do become associated with the LHINs, we could see **repeated rounds of representation votes between unions**. This could weaken labour solidarity, unless an effective response is developed.

Bottom line: The LHINs reform opens up uncertainty concerning the future of health care (and some social service) bargaining units in the province. Developing strategies to build labour unity becomes much more important in this context.

Information provided by Canadian Union of Public Employees (CUPE)

P L E A S E P O S T