
THE BRIEF

WHAT YOU NEED TO KNOW ABOUT THE CANADIAN HEALTHCARE SYSTEM (MEDICARE)

BACKGROUND: There is no argument that the healthcare system we have enjoyed until now in the U.S. has some major issues that must be addressed. Presidential candidate Barack Obama said that if "starting from scratch," he'd emulate a "single-payer," government-run system, such as the Canadian model.

However, the former president of the **Canadian Medical Association**, the equivalent of the American Medical Association, has been **sounding the warning bell** on their Medicare system for several years:

"We all agree that the **system is imploding**. We all agree that things are more precarious than perhaps Canadians realize," said Dr. Anne Doig. "We know that there must be change. We're all running flat-out. We're all just trying to stay ahead of the immediate day-to-day demands. Canadians have to understand that the system that we have right now — if it keeps on going without change — **is not sustainable**."

The Canadian example demonstrates that the desire of "equal care for all" condemns society to poorer care for all.

IN THE CANADIAN MEDICAL ASSOCIATION'S OWN WORDS

The CMA has undertaken an effort to change the country's Medicare system. From the CMA's report, *"Health Care Transformation in Canada: Change that Works, Care That Lasts:"*

- "Canada's health care system is valued by its citizens. At the same time, it is increasingly recognized that the system is inadequate to meet 21st Century needs and is in urgent need of reform. Canadians **wait too long** for care. Care providers feel **overworked and discouraged**. There are **insufficient mechanisms** to monitor system performance. Technical support **needs modernizing**."
- "Closer examination of how the five Medicare principles are being met reveals a number of concerns. While there is universal coverage for **a narrow range** of medically-necessary services, **access to other essential health care services is inconsistent**, both within and across jurisdictions. **Exceedingly long waits for necessary medical care is prevalent**. Efficiencies in the management of our health care system must also be found as **Canada has recently been ranked last out of 30 countries** in terms of value for money spent."
- "Our Medicare **system is failing** to meet the five principles — universality, accessibility, portability, comprehensiveness and public administration — originally laid out in the 1984 Canada Health Act."

HURRY UP AND WAIT

- **Wait times in Canada have doubled in the past 20 years.**

- Released by the Fraser Institute, a December 2012 survey of specialists reveals that Canadians are now waiting **17.7 weeks (about 4.5 months)** between the referral to a specialist and the delivery of treatment. This is **91 percent longer** than in 1993, when the institute began studying wait times.

- Currently, **Canadians are awaiting** an estimated 870,462 procedures. Life on a waiting list involves living in a state of poorer health, in constant fear that treatment will come too late, increased suffering and lower quality of life, and financial and economic loss.

- According to Dr. David Gratzner, author of *Code Blue: Reviving Canada's Health Care System*, some **patients even die without treatment**. Others will travel in search of health care. In fact, an estimated 0.9 percent of **patients left the country** in 2012 in preference for treatment outside of Canada.

OVERCONSUMPTION OF CARE

- As in other cases of things given to consumers for "free," patients seek out more medical care as its price decreases. This **all-you-can-eat healthcare buffet** is simply a reflection of the law of demand. Because patients living under government medical "insurance" pay nothing directly, they seek out medical treatment for increasingly frivolous reasons, **squandering valuable resources** in the process. This is rampant not only in Canada but all other countries doling out government healthcare largesse to their citizens.

RATIONING HEALTHCARE

- The skyrocketing costs associated with growing use of the State-funded medical system have caused the government to institute price controls on health care services. This results in the skewed market allocation of resources, resulting in persistent shortages in critical areas. **Medical care is then rationed to patients**. Long wait times are but one symptom.

- In addition, **barriers to entry**, such as State-licensing requirements and the accreditation of educational institutions, cartelize various medical professions and further exacerbate these circumstances.

THE CURE

- After conducting a fact-finding trip to Europe, meeting with those involved in health care from England, Denmark, Belgium, the Netherlands and France, task force member and former CMA president Dr. Robert Ouellet suggests Canada should turn to **competition**, saying "competition should be welcomed, not feared."

- The cure for our healthcare ills is **freedom**, a restoration of the market process with the patient at the center. This restoration of patient sovereignty in the medical system is the only way to allocate healthcare resources efficiently and without shortages.

AND THINK ABOUT...

- Obamacare vastly **expands the government's power** over your insurance plan, your doctors' decisions and your medical records, invading your privacy, taking away your choice of healthcare options - in other words, taking away your freedom.

- As President Obama said of the mail system woes, "UPS and FedEx are doing just fine. ... It's the post office that's always having problems." And we want **more government intrusion** into our lives?