



**BARRETTE REFORM**

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# **GREATER ACCESS AT LOWER COST**

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**N|A|T|I|O|N|A|L**

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# INTRODUCTION



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The precarious state of Québec's finances is an open secret. The obstacles are multiplying despite the Couillard government's seemingly unshakeable will. The challenges are especially strong in the fields of health and education, where decisions have inevitable consequences.

While the adoption of Bills 10 and 28 will pave the way for additional major changes to come, the reform promised by Health and Social Services Minister Gaétan Barrette is gradually taking shape. Other bills will be adopted over the coming months that should result in substantial savings, with the new product listing agreements (PLAs) and especially with how medical activities will be funded in the future. Will Minister Barrette be up to the challenge? With another three years of Liberal rule, it is a good bet that he will have the time to reassess many tenets of the health system.

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# QUÉBEC, A COMPLEX LAND FILLED WITH CHALLENGES



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## Modernize or Reinvent the State

After already a year and a half into its mandate, the least we can say about Philippe Couillard's Liberal government is that it's staying the course. Standing behind the courage of its convictions, this government has been characterized in part by tough negotiations with doctors and pharmacists, significant tensions due to cuts in education and a major overhaul of the health care system. The Treasury Board has just ordered another \$700 million<sup>1</sup> in savings from the health care system this year, in addition to the existing \$450 million in cuts. In addition, health care expenses increased by an annualized 4.5% in the first quarter of 2015, which is less than the 5.6% average over the past ten years.<sup>2</sup>

Table 1 – Government Economic Forecasts<sup>3</sup>

	2014-2015	2015-2016	2016-2017
Expected deficit	(\$1.8 bn)	\$0	\$0
Growth in consolidated expenses	2.2%	1.5%	2.1%

The government therefore intends to continue to reform the province's administration over the current year. We can also expect major decisions in education, IT contracts and health care.

In addition, the government intends to bring the chronic deficits of the past 50 years to an end while providing quality services to Québeckers. With a balanced budget target for 2016-2017, the government wishes to help Québec progress as a society over the coming years.

At the very outset of autumn, Treasury Board President and Minister responsible for Government Administration and Ongoing Program Review, Martin Coiteux, addressed a business audience in Québec City where he delineated the four major projects currently under way:

- Program review
- Structural review

1. Ariane Lacoursière, La Presse +, "Régler l'erreur Castonguay" (fixing the Castonguay error), October 10, 2015, [http://plus.lapresse.ca/screens/53053bda-bd9f-44b4-a22a-efe6be0e067c%7c\\_0.html](http://plus.lapresse.ca/screens/53053bda-bd9f-44b4-a22a-efe6be0e067c%7c_0.html).

2. Robert Dutrisac, Le Devoir, "D'autres coupes substantielles frapperont la santé" (additional substantial cuts will be hitting health care), October 7, 2015, <http://www.ledevoir.com/politique/quebec/451928/d-autres-coups-substantielles-frapperont-la-sante>.

3. Québec Minister of Finance.

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- Responsible workforce management
- IT management

Minister Coiteux presented these four axes as an essential condition for improving government efficiency, refusing to call them “austerity measures”. The stated purpose of the program review is to make the saving of financial resources possible so that they can be invested where they are most needed.

Thus, all expenses must be reviewed and analyzed, all programs assessed, and any structure and service optimized. In April 2014, Philippe Couillard’s Liberal Party managed to convince the electorate of the need for an overhaul of the public finances and intends to keep its promise.

## The Barrette Plan

On May 9, 2014, while addressing the administrators of the hospital network for the first time, Health and Social Services Minister Dr. Gaétan Barrette explained his vision:

“I’m telling you directly that when we choose our path, you will have the choice of coming on board with us or not, but if not, there will be consequences. I am not announcing the Apocalypse, I am saying that there is clearly a change in direction.”<sup>4</sup>

It is in this spirit that, after a closure debate and a motion to suspend deliberations, the government adopted Bills 10 and 28 in February and April 2015, respectively. The procedure, which limits the allotted debate time with Opposition groups, was used to allow the government to establish the foundational structure for the redesign of the Québec health system.

4. Alexandre Robillard, La Presse Canadienne, “Gaétan Barrette prévient qu’il exercera tous les pouvoirs du ministère” (Gaétan Barrette warns that he would use the Minister’s powers to their full extent), May 9, 2014, [www.lactualite.com/actualites/Québec-canada/barrette-previent-quil-exercera-tous-les-pouvoirs-du-ministere/](http://www.lactualite.com/actualites/Québec-canada/barrette-previent-quil-exercera-tous-les-pouvoirs-du-ministere/).



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## Overview of Bills 10 and 28

Bill 10 redefined the organization and governance of the health and social services network so that the regional health agencies could be abolished to create the *Centres intégrés de santé et de services sociaux* (integrated health and social services centres).

It also increased the Health Minister's powers, particularly regarding organizational structure and management. The minister stated that this was done to improve access to services, the quality of care and the efficiency of the health care system. The number of facilities in the network was reduced from 182 to 34.

Bill 28, which the Liberals qualified as “omnibus” and the Opposition as “mammoth”, covered a range of measures contained in the June 4, 2014 budget. It embodied a host of issues such as daycares, Hydro-Québec surpluses, and product listing agreements (PLAs) with pharmaceutical companies. Pharmacists were also given additional responsibilities. Following difficult talks with them last summer, the Minister finally reached an agreement in exchange for uncapping professional allowances paid by the manufacturer of generic drugs over a three-year period.

## Reducing Expenses while Improving Access

Minister Barrette is clearly leaving nothing to chance. While 2015 was a pivotal year for Québec's health care system, more reforms are expected in the field of health and social services which accounts for almost half of all provincial expenses. With health care expenses rising around 5 or 6% annually in recent years, it has become imperative to review the entire system to ensure that people have quick access to health services while respecting the State's budgetary capacity.

The Minister is thus continuing to clean up the health network, helped by a team ready to meet the challenge. His chief of staff, Daniel Desharnais, and political advisors François Bégin, Robert Dyotte and Pascal Chouinard, will be called on to play key roles in implementing the Minister's strategies.

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## Bill 20

The purpose of Bill 20 is to optimize the use of the health care system's medical and financial resources to improve access to family practices and specialized medicine. It includes changes to the Act Respecting Clinical and Research Activities Relating to Assisted Procreation that add various provisions governing assisted procreation activities. A detailed study of this bill is advancing at a snail's pace – so much so that it may also be subject to a closure debate as were the two previous bills submitted by Minister Barrette.

During the detailed study, the Minister submitted and passed an amendment that would compel pharmacists to mark higher-priced items billed to private insurance plans down to the public plan's prices for new services only. Incidental costs billed to patients have also become a political issue. The opposition parties have insisted on their abolition. Minister Barrette opted instead to benchmark the billed price and end the routinely denounced abuses. The Minister explained that these incidental costs have always been allowed in Québec, or at least over the past 30 years, and that it was now time to regulate them so as to ensure that patients have access to health services. While some say that the Canada Health Act forbids the billing of patients for costs paid for by the provincial health care plan, it remains to be seen whether Health Canada will choose to intercede and levy financial penalties against Québec.

## Bill 44

Bill 44 modifies the Tobacco Act to further restrict tobacco consumption, both in enclosed spaces and outdoors. It forbids smoking in cars in the presence of a minor under the age of 16, and forbids smoking on outdoor terraces. It also forbids smoking within 9 metres of any entrance to any enclosed public area.

The bill extends the scope of the act to the e-cigarette by linking it to tobacco and governs tobacco use in certain areas, in particular by setting guidelines for the layout of outdoor smoking shelters.

The detailed study of this bill will take place after Bill 20 is adopted, but its contents already enjoyed consensus among the various political parties.

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## First Pharmacists... Now Nurses

After granting additional powers to pharmacists to improve access to health care services, Minister Barrette has now followed up by delegating new responsibilities to nurses. Starting January 11, 2016, nurses will be able to prescribe laboratory analyses and certain medications to better manage wound treatment.<sup>5</sup>

The nurses will also be allowed to prescribe required treatments to asymptomatic people with gonorrhea or chlamydia. They will henceforth be able to prescribe hormonal contraception, intrauterine devices (IUDs) and emergency oral contraception. They will be able to prescribe prenatal vitamins, folic acid and nausea-controlling medicines during pregnancy, as well as treatments for thrush during breastfeeding. The nurses will also be authorized to prescribe treatments for lice and for tobacco cessation.<sup>6</sup>

Nurses with bachelor's degrees will be allowed to assume these new responsibilities. Those with a CEGEP degree (DEC) can have their knowledge and experience over the previous seven years recognized under certain conditions.<sup>7</sup>

## Saving on Drug Prices

When it comes to additional cuts imposed on his Department, Dr. Barrette is confident that he can identify the sectors where major savings can be achieved without reducing services. He believes that they can be recovered by looking at the pertinence of medical procedures to ensure adequate drug prescriptions. Reorganizing the network should also help improve its performance. The minister seems optimistic about the negotiations on the price of drugs made possible through membership in the pan-Canadian Pharmaceutical Alliance (pCPA).

5. Quebec Government, "Services professionnels en santé – Nouveaux actes médicaux ouverts aux infirmières et aux infirmiers pour améliorer l'accessibilité aux soins et aux services de santé" (professional health services – new medical procedures open to nurses to improve access to healthcare services), October 7, 2015, <http://www.fil-information.gouv.qc.ca/Pages/Article.aspx?motsCles=&listeThe=&listeReg=&listeDiff=&type=&dateDebut=2015-10-07&dateFin=2015-10-08&afficherResultats=oui&Page=2&idArticle=2310078038>.

6. Ordre des infirmières et infirmiers du Québec, "Fiche 1 – Prescription infirmière – Activités professionnelles visées" (chart 1 – prescriptions by nurses – targeted professional activities), [https://www.oiiq.org/sites/default/files/uploads/pdf/l\\_ordre/dossiers\\_strategiques/2015/oiiq-fiche-1-prescription-infirmiere-activites-visees.pdf](https://www.oiiq.org/sites/default/files/uploads/pdf/l_ordre/dossiers_strategiques/2015/oiiq-fiche-1-prescription-infirmiere-activites-visees.pdf).

7. Ordre des infirmières et infirmiers du Québec, "Fiche 2 – Prescription infirmière – Infirmières et infirmiers visés" (prescriptions by nurses – targeted nurses), [https://www.oiiq.org/sites/default/files/uploads/pdf/l\\_ordre/dossiers\\_strategiques/2015/oiiq-fiche-2-prescription-infirmiere-professionnels-vises.pdf](https://www.oiiq.org/sites/default/files/uploads/pdf/l_ordre/dossiers_strategiques/2015/oiiq-fiche-2-prescription-infirmiere-professionnels-vises.pdf).



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## Product Listing Agreements (PLAs)

The government's goal is clear: to save money. Québec is now a stakeholder in the pCPA and the government intends to invest its efforts into accessing agreements already negotiated under this alliance. The role of the *Institut national d'excellence en santé et en services sociaux* (INESSS) remains unchanged. Its recommendations take precedence over those of the rest of Canada and processes cannot be agreed upon without them. Therefore a drug's therapeutic value must be endorsed by INESSS. Québec uses this evaluation to determine whether it wishes to accede to the prevailing pCPA agreement. The ministerial team conducted an opportunity analysis and it is possible that if there is no agreement with the pCPA, the manufacturers could be approached to address more specific needs.

The government is undergoing a period of great change, which will likely require some adjustments. The companies will have to elaborate their strategies accordingly. It will be especially important to create a favourable climate that is open to the new therapeutic options. Teamwork and developing a network of allies in the field are becoming increasingly important. Credible and committed, the patients and various health specialists will continue to play an essential role in the evolution of health care.

## A Plan for Mental Health

Minister Barrette's autumn has also been highlighted by the filing of the *Plan d'action en santé mentale 2015-2020* (2015-2020 mental health action plan). The former strategy, covering the period from 2005 to 2010, was outdated.

The new action plan has four components. The first seeks to promote respect for the rights of people with mental health problems, including establishing conditions favourable to their personal development. The second seeks to provide youth services that are adapted to their developmental needs. The third seeks to implement clinical and management practices to improve the care received by people with mental issues. The fourth seeks to continuously improve the quality and performance of mental health care and services.<sup>8</sup>

8. Québec Government, "Le ministre Barrette lance le plan d'action en santé mentale 2015-2020 – Faire ensemble et autrement" (Minister Barrette launches the 2015-2020 mental health action plan), October 9, 2015, <http://www.msss.gouv.qc.ca/documentation/salle-de-presse/ficheCommunique.php?id=1026>.

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In filing this plan, the Minister clearly acknowledged mental health as a government priority. Certain groups, such as the Fédération des familles et amis de la personne atteinte de maladie mentale (FFAPAMM – federation of families and friends of a person with mental illness) welcomed this. However, the Minister has been criticized for lacking the means to implement the proposed solutions, or for wishful thinking rather than taking concrete steps. According to Dr. Barrette, better organized resources plus another \$70 million over five years should be enough to make a significant difference in the support given to people suffering from mental illness.<sup>9</sup>

## Québec and the rest of Canada

Québec is much more than poutine, snow and protests. It is a complex society that is comfortable with higher taxes, but expects quality services in return. With its revenues threatened by an aging population and expenses beyond its financial capacity, Québec has no choice but to thoroughly review its priorities and align them accordingly.

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9. Vicky Fragasso-Marquis, Le Devoir, "Barrette veut améliorer l'organisation des soins" (Barrette wants to improve the organization of healthcare), October 10, 2015, <http://www.ledevoir.com/societe/sante/452245/sante-mentale-barrette-veut-ameliorer-l-organisation-des-soins>.

# CONCLUSION



The health field is in upheaval and Québec is not immune. The state of its finances and the aging population only add to the pressure. The province must simultaneously reduce its expenses and increase the health system's productivity – a self-contradictory challenge. Yet Minister Barrette is optimistic. After granting new responsibilities to pharmacists and nurses, and the debate over incidental expenses, he seems interested in savings related to drug purchases. Henceforth a member of the pan-Canadian Pharmaceutical Alliance (pCPA), Québec is announcing its will to give Québeckers access to medicines while reducing the associated costs.

Ministre Barrette's next major project is unquestionably the new concept of "activity-based funding." The Minister considers this his most important reform, designed to establish a comparative metric to properly rank health care facilities' performance.

The least one can say is that Minister Barrette, in a year and a half at the helm, will have definitively made his mark on Québec's health network. Will these changes bring the promised results? We wish we will soon be able to judge – and hopefully benefit.

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