[Logo](http://www.thestar.com/)

[Back to Article](http://www.thestar.com/opinion/editorialopinion/article/1271031--canadians-are-ready-for-an-adult-conversation-on-medicare)

**Canadians are ready for an adult conversation on Medicare**

Originally published on Sunday October 14, 2012. Revised November 29, 2012 with 2012 data from the Canadian Institute of Health Information (<http://www.cihi.ca/CIHI-ext-portal/internet/en/document/spending+and+health+workforce/spending/spending+by+geography/spend_nhex>)

**Michael Rachlis MD**



**O**ver the past two years, Brian Mulroney, former Bank of Canada governor [David Dodge](http://www.thestar.com/news/canada/article/786553---thinkers-conference-tough-questions-few-answers) and other prominent Canadians have called for an “adult conversation on medicare.” This month Globe and Mail columnist Jeffrey Simpson became the latest member of the Canadian chattering class to call for a mature deliberation about Canada’s favourite social program.

The analysis usually proceeds from a 30-second case for medicare’s unaffordability. Medicare might have been well-meant but health costs are rising faster than government revenues and the economy. Governments can’t fix medicare’s problems without raising taxes, which isn’t an option. The only hope is that Canadians will finally have a grown-up conversation about medicare and at least introduce more for-profit care if not dismantle it entirely.

This story is frequently told and easily understood. But it’s almost completely false.

Total health-care costs as a share of the economy did rise when the economy tanked in 2008-9 but they plateaued in 2010 and have been falling slowly since. Provincial government health costs have fallen as a share of GDP and as a share of their overall spending. Far from hitting the forecast 70 per cent, or even 50 per cent of program expenditures, provincial health costs are less than 38 per cent of program spending and falling.

Health care did grow from 33 per cent of program spending in the 1990s to 39 per cent in 2003 but this wasn’t so much due to higher health costs as it was due to government cuts to other portfolios. From 2000 to 2011, Canadian governments cut taxes by nearly 6 per cent of GDP amounting to foregone annual revenue of $100 billion. And, contrary to the Canadian chin-wag consensus, Canadians strongly support higher progressive taxes. A spring Forum Institute poll indicated that Ontarians favoured by four to one raising higher earners’ income taxes. Even Conservative voters favoured fair taxes by two to one.

But the good news is medicare doesn’t need much if any new money or for-profit care. Many examples across the country demonstrate we could almost eliminate waits for doctors and other services through process improvement and system redesign. But Simpson and others seeking the mythical adult discussion hardly mention public sector options. These grownups are either ignorant about Etobicoke [Queensway surgicentre](http://www.trilliumhealthcentre.org/programs_services/surgical_services/index.php) — North America’s largest ambulatory surgical facility — or they want to keep us ignorant. The Queensway is part of the Trillium health system, a public hospital.

Unfortunately, medicare’s real story doesn’t get much air time. Former Saskatchewan premier [Tommy Douglas](http://esask.uregina.ca/entry/douglas_thomas_clement_1904-86.html) talked all his life about the need for the second stage of medicare. He said the first stage featured public payment for the old system based on treating illness with doctors and hospitals. He said the second stage would highlight a redesigned delivery system focussed on keeping people healthy.

In the 1960s, Douglas and Supreme Court judge and co-founder of medicare [Emmett Hall](http://esask.uregina.ca/entry/hall_emmett_1898-1996.html) supported salaried doctors working in interdisciplinary teams. However, Douglas maintained that it was too politically difficult to change the way doctors were paid and how they did their work coincidently with pressuring them into public payment. For the rest of his life, he repeatedly warned that if the delivery system was left unreformed, medicare would increasingly fail Canadians and lose political support.

When Canadians hear about the second stage of medicare, they are more than ready for a mature conversation. When they hear about innovations to reduce wait lists, they are ready to eradicate them with public sector solutions. When they hear that public finance is more efficient and that Canadian taxes have been cut by $100 billion, they are ready for medicare to cover drugs and continuing care.

So let’s start the grown-up conversation with a real question about access. Best practices across Canada demonstrate that we could see our family doctors within one day, see specialists within one week, and get elective surgery within three months. And we could get this much better care for little or no additional cost. How can we make this happen within the next two years everywhere in this country?

It’s true that this won’t be an easy. But it’s a miracle we got medicare at all. The medical profession, almost all the provinces, and most of the Canadian elite opposed medicare 50 years ago. Fortunately, the Canadian people strongly supported medicare then and they still do. Let’s plug into that good will and modernize our health system for the 21st century.

*Dr. Michael Rachlis is a health policy analyst and an associate professor at the University of Toronto.* [***www.michaelrachlis.ca***](http://www.michaelrachlis.ca)