

# Pre-budget Submission to the House of Commons Finance Committee August 3, 2017

## **Executive Summary**

The CFNU's submission follows the guidelines set out by the committee, focusing on federal measures to help promote productivity and competitiveness among Canadian businesses. Canadian nurses are committed to delivering quality patient care to people living in Canada and improving our public health care system. Better health care results in a healthier and more productive population. This, in turn, improves the competitiveness of Canadian businesses.

Accordingly, the CFNU recommends three federal measures to improve public health, thereby increasing productivity and strengthening business competitiveness.

First, Canadian nurses support the implementation of a national, universal pharmacare program at the earliest opportunity. Second, Canadian nurses believe a key to improving the mental health of Canadians is the removal of financial barriers to accessing psychotherapies. Third, Canadian nurses believe it is time for the federal government to engage in the establishment of apprenticeship programs within health care.

### **Pharmacare**

The CFNU represents close to 200,000 frontline nurses across Canada. Drawing on the recommendations of the 1965 Hall Commission, the 1997 National Forum on Health, and the 2002 Romanow Report, we have, for nearly two decades, advocated for the implementation of a national pharmacare plan.

Canada's nurses treat the many patients whose condition has worsened due to lack of access to affordable prescription medications. Surveys have shown that nearly one in four Canadian households include members who don't take medications as prescribed due to cost.¹ Cost-related non-adherence to prescribed medications erodes the health of Canadians² and, by extension, the productivity of Canada's workforce.

Accessing prescribed medications continues to be a major financial barrier for many people in Canada, including many who are employed. Currently, one in three Canadian workers do not have extended health care benefits from their employer.<sup>3</sup> Lower-income working Canadians are more affected, despite a higher financial need.<sup>4</sup> While data is not readily available on rates of absenteeism resulting specifically from cost-related non-adherence to prescription medications, there is a logical link between preventable illness caused by non-adherence and preventable absenteeism. Indeed, recent data from Quebec suggests that non-adherence is common and could be reduced if financial barriers were reduced or eliminated entirely.<sup>5</sup> Further research indicates that over 5% of hospitalizations in Canada are the

result of non-adherence to prescription medications, costing possibly over \$1.2 billion per year. These preventable illnesses continue to burden our people and our economy needlessly. Universalizing access to prescriptions, through a pharmacare program, would ensure Canadians receive the medications they need to stay healthy and contribute productively to our society and economy.

Under a national, universal pharmacare program, Canadian businesses would also benefit from the removal of prescription medication coverage from their balance sheets. Recent Conference Board of Canada data suggest that Canadian businesses now pay on average \$8,330 per full-time-equivalent employee per year for benefits. And the cost pressures continue to rise, affecting small and medium-sized businesses, in particular. In fact, a majority of organizations surveyed by the Conference Board of Canada in 2015 reported a one-year rise of 6.2% in the cost of benefits for employees from 2013 to 2014. These cost pressures are having a meaningful effect on Canadians businesses, and private sector leaders are identifying prescription medications costs as a major driver.

In May 2016, Anita Huberman, CEO of the Surrey Board of Trade, representing over 2,100 SMEs and large corporations, appeared before the Commons Health Committee, calling for universal pharmacare to help businesses. In her testimony, Huberman spoke of the costs as "high and uncontrolled for those [firms] who do offer drug coverage" and the "inefficiencies of fragmented coverage." Huberman warned that businesses oppose the imposition of mandatory coverage, seen in Quebec, proposing instead that "the committee let businesses focus on running their businesses by putting the management of universal drug coverage in Canada in the hands of those managing our universal health care system." Within a month of her testimony, the BC Chamber of Commerce adopted a resolution in favour of a national pharmacare plan. Similarly, large and flagship Canadian corporations, such as Magna International, have also publicly indicated their support.

A survey of Canadian businesses, conducted in 2015, found that about 90% felt generally positive towards the idea of a national pharmacare program.<sup>13</sup>

#### **Mental Health**

Canadian nurses believe more must be done to improve access to appropriate care for people suffering from mental health problems and illnesses. Similar to prescription medications, the financial barriers to accessing necessary mental health services undermines the health and well-being of all those living in Canada.

Over the course of their lifetimes, more than 40% of people in Canada experience mental health problems or illnesses. <sup>14</sup> Lack of access to appropriate mental health services results in more untreated or undertreated mental illnesses. This affects our workforce. In any given week, over 500,000 Canadians are unable to work due to mental illness. <sup>15</sup> The Mental Health Commission of Canada estimates that the annual cost of lost productivity and absenteeism among workers due to mental health problems and illnesses exceeds \$6 billion per year. <sup>16</sup> More than 80% of Canadian employers now rank mental health problems and illnesses as one of the three main drivers of long-term disability claims. <sup>17</sup> It is estimated that mental illness costs the Canadian economy \$50 billion per year. <sup>18</sup>

Many experts view the universalization of access to psychotherapies as a vital measure to improving the mental health of Canadians. Calling it "the ultimate example of two-tier medicine," former Liberal Senator and Chair of the Mental Health Commission of Canada, Michael Kirby, has said this of the current gaps in access to psychotherapy: "As a Canadian I find it offensive. Why should the child sitting

next to my grandchild in school not get help because their parents or grandparents can't afford it? That's not the Canadian way."<sup>19</sup> Indeed, researchers are finding that psychotherapies can be as clinically effective as medication – often more so. <sup>20</sup> According to the Mental Health Commission of Canada, "psychologically-based treatment and support is effective for many conditions and many people, and is often the preferred treatment of choice."<sup>21</sup> Rather than band-aiding the problem, psychotherapies often provide patients with the tools to effectively manage their depression and anxiety, thus preventing relapses.<sup>22</sup> With the demand for publicly-funded psychiatric services outpacing supply, causing growing waitlists,<sup>23</sup> better access to psychotherapies could offer timelier access to appropriate services for people with mental problems and illnesses, who do not require medication. Canada's nurses believe that universalizing access to psychotherapies would be a key and important innovation for Canada's health care system.

The Government of Canada could also do more to promote better access to mental health services and reduced stigma within Canadian workplaces. The CFNU applauds the work done by the Public Service Alliance of Canada and the Treasury Board Secretariat, including through the implementation of the *National Standard of Canada for Psychological Health and Safety in the Workplace* within the federal public service. The federal government should be a leader in workplace mental health policies, disseminating best practices to employers across the country and incentivizing their adoption. Supporting workplace mental health within the public and private sectors will improve the health and well-being of Canadian workers, reducing the aforementioned costs and therefore improve worker productivity.

#### **Apprenticeships**

It is no secret that Canada's health care human resources often suffers from maldistribution or overall shortages in personnel. Shortages of health care workers and nurses in rural and remote parts of Canada often undermines the livability of rural communities, eroding their workforce and hurting the competitiveness of their economies. The CFNU recommends that the federal government consider the creation of apprenticeship-like programs to support skills building and recruitment of nurses and health care workers.

Health care apprenticeships would also be of particular value to engaging Indigenous peoples and internationally educated health care workers in skills upgrading.<sup>25</sup> Indeed, increasing Indigenous students' involvement in health care and nursing would lay a foundation for a healthier future for Indigenous communities.

Echoing recommendations in our submission to the Canadian Apprenticeship Forum, the CFNU believes that health care apprenticeship programs could be modeled off of existing programs in the trades. This could involve a similar tiered-pathway approach through modular education and laddered credentialing. Best practices from the health care apprenticeships in the United Kingdom's National Health Service could also be studied. Recently the UK government committed to adding 100,000 new NHS apprenticeship positions by 2020.<sup>26</sup>

#### Conclusion

Canada's nurses believe better health care is a key to improving the productivity of Canada's workers and, by extension, the international competitiveness of Canadian businesses. More must be done to eliminate the barriers that Canadians face to accessing necessary health care. We therefore propose

solutions in this submission to address both financial barriers and human resources barriers to access. A healthier population means a stronger and more productive workforce. Investments in better health care services are investments in Canada's strongest competitive advantage: its people.

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<sup>&</sup>lt;sup>1</sup> Angus Reid Institute. (2015). *Prescription Drug Access and Affordability an Issue for Nearly a Quarter of All Canadian Households*. Vancouver: Angus Reid Institute.

<sup>&</sup>lt;sup>2</sup> De Vera, M. (2013). How do you solve a problem like medication non-adherence? *BC Medical Journal*, July 15, 2013. Retrieved from http://www.bcmj.org/blog/how-do-you-solve-problem-medication-non-adherence

<sup>&</sup>lt;sup>3</sup> Barnes, S., Anderson, L. (2015). Low Earnings, Unfilled Prescriptions: Employer-Provided Health Benefit Coverage in Canada. Wellesley Institute. Retrieved from http://www.wellesleyinstitute.com/wp-content/uploads/2015/07/Low-Earnings-Unfilled-Prescriptions-2015.pdf <sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> Tamblyn, R., Eguale, T., Huang, A., Winslade, N., and Doran, P. (2014). The incidence and determinants of primary nonadherence with prescribed medication in primary care: a cohort study. *Ann Intern Med. Apr* 1; 160 (7):441-50. doi: 10.7326/M13-1705

<sup>&</sup>lt;sup>6</sup> Iskedjian, M., Addis, A., Einarson, T. (2002). Estimating the Economic Burden of Hospitalization Due to Patient Non-Adherence in Canada. Abstract. *Researchgate*. Retrieved from

 $https://www.researchgate.net/publication/251647107\_Estimating\_the\_economic\_burden\_of\_hospitalization\_due\_to\_patient\_nonadherence\_in\_Canada$ 

<sup>&</sup>lt;sup>7</sup> Conference Board of Canada. (2015, November 9). Providing Employee Benefits Continues to Be a Significant Cost for Employers (press release). Retrieved from http://www.conferenceboard.ca/press/newsrelease/15-11-

<sup>09/</sup>providing\_employee\_benefits\_continues\_to\_be\_a\_significant\_cost\_for\_employers.aspx

<sup>&</sup>lt;sup>8</sup> Parliament of Canada. (2016, May 9). House of Commons. Standing Committee on Health. *Minutes of Proceedings*. 42nd Parliament, 1st session, meeting no. 10. Retrieved from the Parliament of Canada website: https://www.ourcommons.ca/DocumentViewer/en/42-1/HESA/meeting-10/evidence

<sup>&</sup>lt;sup>9</sup> Conference Board of Canada. (2015, November 9). Providing Employee Benefits Continues to Be a Significant Cost for Employers (press release). Retrieved from http://www.conferenceboard.ca/press/newsrelease/15-11-

<sup>&</sup>lt;sup>10</sup> Parliament of Canada. (2016, May 9). House of Commons. Standing Committee on Health. *Minutes of Proceedings*. 42nd Parliament, 1st session, meeting no. 10. Retrieved from the Parliament of Canada website: https://www.ourcommons.ca/DocumentViewer/en/42-1/HESA/meeting-10/evidence

<sup>&</sup>lt;sup>11</sup> Canadian Doctors for Medicare. (2016, June 7). Support for pharmacare escalates in Canada (press release). Retrieved from http://www.canadiandoctorsformedicare.ca/Press-Releases/support-for-pharmacare-escalates-in-canada.html

<sup>&</sup>lt;sup>12</sup> Morgan, S. et al. (2015). *The Future of Drug Coverage in Canada*. Retrieved from http://pharmacare2020.ca/assets/pdf/The Future of Drug Coverage in Canada.pdf

<sup>&</sup>lt;sup>13</sup> Hewitt, A. (2016). Pharmacare in Canada. Retrieved from http://www.aon.ca/surveys/rr/Aon\_Pharm\_2016\_EN.pdf

<sup>&</sup>lt;sup>14</sup> Mental Health Commission of Canada. (2013). Why Investing in Mental Health Will Contribute to Canada's Economic Prosperity and to the Sustainability of Our Health Care System. Retrieved from http://strategy.mentalhealthcommission.ca/pdf/case-for-investment-en.pdf

<sup>&</sup>lt;sup>15</sup> Mental Health Commission of Canada. *Supporting Workplace Mental Health*. Retrieved from

https://www.mentalhealthcommission.ca/sites/default/files/mhcc\_workplace\_promo\_eng\_0.pdf

<sup>&</sup>lt;sup>16</sup> Mental Health Commission of Canada. (2013). *Making the Case for Investing in Mental Health*. Retrieved from https://www.mentalhealthcommission.ca/sites/default/files/Investing\_in\_Mental\_Health\_FINAL\_Version\_ENG\_0.pdf <sup>17</sup> lbid.

<sup>&</sup>lt;sup>18</sup> Mental Health Commission of Canada. (2013). Why Investing li Mental Health Will Contribute to Canada's Economic Prosperity and to the Sustainability of Our Health Care System. Retrieved from http://strategy.mentalhealthcommission.ca/pdf/case-for-investment-en.pdf

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<sup>&</sup>lt;sup>20</sup> Anderssen, E. (2015). The Case for Publicly Funded Therapy. *Globe and Mail*. https://www.theglobeandmail.com/life/the-case-for-publicly-funded-therapy/article24567332/

<sup>&</sup>lt;sup>21</sup> Chodos, H. (2017). Options for improving access to counselling, psychotherapy and psychological services for mental health problems and illnesses. Mental Health Commission of Canada. Retrieved from https://www.mentalhealthcommission.ca/sites/default/files/2017-07/Options\_for\_improving\_access\_to\_counselling\_psychotherapy\_and\_psychological\_services\_eng.pdf

<sup>22</sup> Ibid.

<sup>&</sup>lt;sup>23</sup> Kurdyak, P. (2016). Doctor's Notes: Demand for Psychiatrists Outgrowing Supply. *Toronto Star.* August 22, 2016. Retrieved from http://startouch.thestar.com/screens/cf2e01a3-b901-4e6c-b2ad-1d1ca3f71242%7C\_0.html

<sup>&</sup>lt;sup>24</sup> PSAC. (2015). Memorandum of Understanding between Treasury Board and the PSAC with respect to mental health in the workplace . Retrieved from http://psacunion.ca/memorandum-understanding-between-treasury-board

<sup>&</sup>lt;sup>25</sup> Health Council of Canada. (2005). Modernizing the Management of Health Human Resources in Canada: Identifying Areas for Accelerated Change, Report from a National Summit. Ottawa: Author.

<sup>&</sup>lt;sup>26</sup> UK Department of Health. (2016, January 25). New NHS Apprenticeships (press release). UK: Author.