As the baby-boomer generation retires and lives longer, the demands on Canada's healthcare system will only grow. A system in which the Naylor Task Force found "some extradorindary creativity and innovation," writes Andre Albinati. iStock photo

"Zombie" Policy Making and the Politics of Healthcare

Andre Albinati

There are few tasks more thankless than delivering federal spending prescriptions during an election campaign, especially when the incumbent government doesn't necessarily agree with them. But there are ways in which the Naylor report on Canadian healthcare can be salvaged for parts.

Canadian policy makers have missed yet another opportunity to help shape Canadian health policy at a key moment when leadership is required more than ever.

In June 2014, Health Minister Rona Ambrose handed former University of Toronto President David Naylor the daunting task of chairing a task force on increasing health-system sustainability through promoting and lever-

aging innovation. How to make the system work better for Canadians and for patients?

Dr. Naylor and his Advisory Panel on Healthcare Innovation travelled the country and heard from hundreds of stakeholders prior to turning in their report, "*Unleashing Innovation: Excellent Healthcare for Canada*", in June 2015. Posted online by the government on a late Friday afternoon of a hot July weekend, the report, like many before it, was met with deafening silence. Late Fridays are reserved primarily for governments releasing appointments or policies that they are not keen on showcasing to the media, and as a result to the electorate at large.

Reporting as they did just prior to a hotly contested three-way election race, the report's authors made it easier for the government to bury their news by neglecting to align their recommendations to the clear political context.

For his part, during a roundtable following the report release at MaRS in Toronto, Naylor acknowledged that his panel in effect had released a "zombie report" that was dead on arrival in official Ottawa. Their remaining hope was that the report would have some life in the months following an election.

There was much to commend in the report. It had, after all, provided a thorough assessment of the current state of healthcare innovation in Canada.

The Naylor panel found that the scope of public coverage in Canada is narrow; the overall performance is middling by international standards, while spending is high relative to many OECD countries; and Canada appears to be losing ground in performance measures relative to its peers.

In regions and provinces across the country, they found some extraordinary creativity and innovation in Canadian healthcare systems that is worthy of emulation, but too many barriers to local innovative healthcare practices being scaled-up across the nation. Specifically, the system is fragmented and lacks the dedicated funding and mechanisms to drive systemic innovation.

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The panel identified a series of barriers to innovation in Canada's healthcare system:

- A lack of meaningful patient engagement
- Outmoded human resource models
- System fragmentation and inadequate health data and information management capacity
- A lack of effective deployment of digital technology
- Barriers for entrepreneurs
- A risk averse culture and
- Inadequate focus on understanding and optimizing innovation.

Their five identified areas for action also appear to make sense:

1. Patient engagement and empowerment
2. Health systems integration with workforce modernization
3. Technological transformation via digital health and precision medicine
4. Better value from procurement, reimbursement and regulation
5. Identifying the industry as an economic driver and innovation catalyst.

What is less clear though is whether the panel understood why the report failed to launch and why it is unlikely to resonate in any meaningful way with policy makers busy writing platforms and seeking advantage during an election. The panel, as have many before it, overreached and in doing so, doomed its work.

- Rejecting the parameters of the mandate you've been given by a government is not the most effective way to ensure that your recommendations are adopted. The government had asked for "revenue neutral" recommendations that suggested neither significant cuts nor major expenditures. The panel explicitly rejected this directive as its starting point.

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- Want to kill policy momentum? Focus on process rather than outcome and suggest government machinery changes as a panacea to all that ails. In this case, the amalgamation of a number of organizations, most of which are unknown to anyone except those deeply involved in the system. In the case of Canada Health Infoway, amalgamation might actually destroy its momentum in bringing provinces to the table to enable health solu-

tions like electronic health records to be implemented.

- The era in which a strong and in-your-face federal government tried to lever change in provincial health systems has long since passed. Recommendations that consolidate provincial initiatives into the federal sphere, like the pan-Canadian Pharmaceutical Alliance initiative currently run by the Council of the Federation and based out of Toronto, are not a good idea. Federal government oversight does not a problem solve. While the Harper Conservatives have been overly focused on the jurisdictional divisions of power in the British North America Act of 1867, it is obvious that even the opposition Liberals and NDP, despite their preference for more national focus and co-operation, do not believe that more federal health bureaucracy is the way forward.

- Recommending that an annual incremental expenditure of $1 billion be provided to a new amalgamated innovation entity fails to recognize that Ottawa does not have a dependable surplus. Dollars are scarce and the political determination to spend on visible consumer benefit remains the government's focus. The department of finance demands hard metrics focused on the return on investment for the dollars it sends out the door and transparency in its grant and program funding—that is to say, visibility to average Canadians. It also prefers to fund time-limited endeavours for specific initiatives that can then be moved to sunset rather than ongoing efforts with no clear end date and amorphous mandates.

- Finally, it is counter-productive to call for private sector innovation while slapping innovative pharmaceutical companies creating novel intellectual property through new precision medicine therapies and technologies. The report's failure to acknowledge the savings to health systems through better patient health management and medicines over expensive and invasive procedures is unfortunate.

Failing to work backwards from what is doable in a current political context is a recurrent problem that has plagued many academics and former politicians. Failing to accept real-world political implications and barriers to implementation isn't an effective approach to providing sound policy advice. We all want to believe that sound policy trumps banal and sometimes counter-productive political imperatives. Much more often than we would think possible, it does not. Just look at any long-term policy challenge involving significant change that runs up against short-term political calculation that privileges the status quo. It tends to lead to a clear, winning one-way bet on inaction.

> ***"Healthcare continues to be largely ignored by federal party leaders. Discussions are incremental. The federal government is noncommittal, and yet, opinion research shows that it remains an area of high priority to Canadians—one that frightens people on a personal level."***

And this isn't the first time that an important health policy report has not led the way to meaningful and effective health policy reform. The release of the Romanow Commission Report in 2002 was another missed opportunity. Instead of striving toward a more innovative culture within the Canadian health system, the report was seen as largely defensive and focused on incremental cash. Prime Minister Chrétien shrugged his shoulders. In 2004, Paul Martin found his hands still tied by jurisdictional barriers and ended up negotiating a 10-year health accord with the provinces that featured at its heart a six per cent-a-year funding escalator but no real commitment to fundamental change.

Chris Ragan, a McGill economics professor and past visiting economist to the federal department of Finance, hit the alarm bell for policy makers more than five years ago, by pointing to four key fiscal challenges faced by Canadian governments, including our aging population and its impact on health system sustainability. The future unsustainability of the system also was an underlying driver identified years before that, as Finance Canada grappled with Canada Pension Plan reform and federal healthcare transfers.

Governments are once again beginning to wrap their heads around some of these challenges—but doing so in a worldwide economic downturn.

The domestic impact has been severe. This summer, the Parliamentary Budget Office looked at government fiscal sustainability and noted that "subnational governments cannot meet the challenges of population aging under current policy."

Healthcare continues to be largely ignored by federal party leaders. Discussions are incremental. The federal government is noncommittal, and yet, opinion research shows that it remains an area of high priority to Canadians—one that frightens people on a personal level.

The Privy Council Office's most recent tracking of issues of importance to Canadians in February 2015 shows that our "healthcare system" is the second most commonly mentioned area people want the federal government to focus on, ranking behind only the economy and roughly tied with employment/job creation. For the governing party, demographic analysis shows that speaking about the economy and jobs rather than healthcare aligns best with those groups most likely to vote Conserva-

tive in October: men, those aged 55+, Ontario residents, new Canadians.

However, the fact remains that the issue's importance lingers and while Canadians may be able to rationalize ignoring the issue in favour of other crises, the vast majority harbour some significant anxiety toward health sustainability. More specifically, about their ability to access the system when they most need it.

In this environment, there should be a public appetite for solutions and an opportunity for a champion to gather together a broad constituency of support, particularly if the following conditions are incorporated into policy proposals:

1. Is the federal government seen as being able and likely to spend wisely in this area?
2. Does spending in this area hamper the ability to alleviate greater fears (i.e., economy, employment)?

Finding solutions to improving Canada's healthcare system has the potential to resonate strongly with Canadians for our political parties—assuming Canadians recognize the solutions as ones that help alleviate their greatest fears and focus on improving their personal experience within the Canadian health system.

While the challenges are immense and the public will should be ready, there is little policy-making capacity remaining in government departments like Health Canada to implement solutions. For those who are left, and for the experts to whom they reach out for proposed solutions, it is imperative they take the time to understand the political and the policy environments in which they are operating.

Without this integrated approach, we'll have growing gangs of policy zombies offering solutions that are out of the reach of politicians and Canadian patients. Getting this wrong means the continuing degradation of the system until the feared sustainability crisis becomes all too real. P

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