Innovation and the new health accord

Matthew B. Stanbrook MD PhD

The Trudeau government was elected in 2015, having promised to negotiate a new health accord with the provinces. To the dismay of many provincial leaders, Federal Minister of Health Dr. Jane Philpott recently pre-empted these negotiations by declaring that her government will not be changing the funding formula for the Canada Health Transfer, the mechanism through which our federal and provincial governments share the health system's costs — leaving some wondering what, then, is left to negotiate. How likely is it that a new accord can deliver on Canadians' high expectations of much-needed progress on addressing critical problems facing our health care system?

The previous accord, which expired in 2014, provided for a 6% annual increase in the Canada Health Transfer. In 2011, the Conservative government enacted changes, due to take effect in 2017, that would drop this annual increase to 3% per year or the growth rate of Canada's gross domestic product, whichever is greater. The Liberals, then in opposition, loudly denounced this change, yet now are adopting it. Political hypocrisy? Perhaps not. While the Harper government offered nothing else for health care, the Trudeau government has committed to renewed federal leadership on health, re-engagement with the provinces and, importantly, more funding, albeit directed rather than unconditional.

What will the promised additional federal funding target? Home care, almost certainly, since the government has already promised a \$3 billion investment over four years, although it was not clear during the election campaign that this would be part of the accord and not an addition to it. Indigenous health, pharmacare, mental health and a plan to meet the needs of seniors are other key aspects of the health care system badly in need of attention. But what will happen to any system changes made in these areas after the targeted federal funding runs out, unless the accord explicitly plans for their continuity?

Provincial governments reasonably need to have certainty over their long-term health care budgets before committing to any systemic changes. Equally understandable is the reluctance of provinces to have federal programs imposed on them that may not meet their needs or priorities. At the same time, it is entirely appropriate for the federal government to expect greater accountability from the provinces for its investments in health — the opposite of what pouring more money into the Canada Health Transfer would achieve. And “provinces know best” has too often been used as an excuse for provincial changes that erode the principles of the Canada Health Act. Undoubtedly, though, success depends on Dr. Philpott's ability to achieve consensus with the provinces. Without it, the health accord negotiations risk devolving into a squabble over money and self-interest that is destined to end in failure.

A temporary tinkering with the health system, without a wholesale system change, will not deliver the health care improvements Canadians need. Instead, all parties involved in the health accord negotiations must commit themselves to establishing a new mechanism for cooperation in achieving far-reaching, innovative change at the system level. They already have a blueprint for doing so: the *Report of the Advisory Panel on Healthcare Innovation*,¹ commissioned by the Conservative government in 2014 but largely gathering dust since its release. The panel, chaired by Dr. David Naylor, made incisive, well-researched and broad recommendations for creating disruptive changes to enhance the quality and sustainability of our health care system. A key recommendation was the creation of a new federal agency, whose mission would be to accelerate change in the health care system by adjudicating and funding initiatives proposed by provincial governments and other stakeholders, in a manner broadly analogous to what the Canadian Institutes of Health Research does for research. This proposal raises some immediate questions, such as how independent adjudication would be preserved given the political imperatives that dictate federal-provincial relations. But the underlying idea is exactly what Canada needs from a new health accord.

For this to work, federal and provincial governments will need to agree that federal funding beyond the Canada Health Transfer would be dedicated to improving the system as a whole, without prespecified targets. Provinces could choose what initiatives to propose, allowing them to tailor funding to their own needs. The federal government would then achieve accountability for funding thereby provided to provinces through a transparent process of independent expert appraisal of proposals and through a requirement that all proposals contain a plan for evaluating their impact on health outcomes — with results to be made public. Such a mechanism would convert the process of health care system transformation from a grand event that happens once a decade into a continuous ongoing collaboration among governments. As it should be.

Reference

1. Report of the Advisory Panel on Healthcare Innovation. Unleashing innovation: excellent healthcare for Canada. Ottawa: Minister of Health; 2015. Available: <http://healthycanadians.gc.ca/publications/health-system-systeme-sante/report-healthcare-innovation-rapport-soins/index-eng.php> (accessed 2016 Oct. 7).

Competing interests: See www.cmaj.ca/site/misc/cmaj_staff.xhtml

Affiliation: Deputy Editor, CMAJ

Correspondence to: CMAJ editor, pubs@cmaj.ca

CMAJ 2016. DOI:10.1503/cmaj.161208