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Is regionalization working?

Final of a three-part series on regionalization

For more than a decade, the dominant model of health care in Canada has been regionalization, but health care experts still aren't sure if the national shift toward delivering medical services at the regional level has been successful. In the 1990s, when many provinces were implementing regional systems, advocates of regionalization were fond of tossing out grand-sounding promises: greater accountability, increased citizen participation in decision-making, better integration of services. Some of those promises were realized, experts say, while others turned out to be nothing more than unfulfilled optimism.

One phrase that comes up often in talks about regionalization is "from silos to systems." This refers to the shifting of service provision and decision-making power from local entities to larger, regional bodies which, the theory goes, can more effectively and efficiently deliver health care services. In the late 1990s, John Church, an associate professor in the School of Public Health at the University of Alberta in Edmonton, turned a critical eye toward regionalization in Canada and cast doubt on this theory.

"At a minimum, regionalization arrangements have to recognize that, given the varied nature of services, it is inadvisable to assume that cost savings and improved quality will flow from consolidation efforts," Church wrote in a 1998 paper (*Int J Health Serv.* 1998;28:467-86). "All in all, regional populations in Canada might be too small to achieve any real economies of scale or to more generally effect a coordination of health services."

But as regional health authorities matured, Church says, they began to show more promise. For instance, regionalization has proven beneficial in areas where physicians need to keep busy to maintain important skills, such as surgical skills.

"Everybody who needed surgery would go to a smaller number of outlets and keep cardiovascular surgeons busy and not sitting around having their skills wax and wane," says Church.

One area where regionalization has failed, though, is in increasing citizen participation in health care decision-making. Engaging the public, of course, is not always easy. In his paper, Church cites the work of another researcher who looked at efforts to empower communities in the United Kingdom, Sweden and the United States but found: "In analysis of these three countries, one finding repeatedly emerged: no matter the organization arrangements or modes of financing, professionals dominated decision-making in the health sector." (*Comp. Politics* 1985;17:399-420)

"Community participation is one part that never got off the ground, but governments weren't interested in that," says Church. "In fact, they were probably seriously interested in moving away from that model."

Another promise of regionalization was health care equity across provinces. Critics of regionalization, however, claim that the exact opposition may have happened — urban centres have gained more power while rural areas have lost power. According to Dr. Karl Stobbe, president of the Society of Rural Physicians of Canada, regionalization has caused the closure of many small-town hospitals. As a result, rural people — who "still get sick and injured whether there is a hospital or not," — have lost their voice.

"Decision-making power almost always rests in urban centres," says Stobbe, president of the Society of Rural Physicians of Canada. "Our notion is that more than just the bottom lines of urban hospitals need to be looked at."

Not everyone agrees that regionalization equals rural suffering. Many of the hospitals forced to close needed to close anyway, says Denise Kouri, who from 2002 to 2005 directed the now-defunct Canadian Centre for Analysis of Regionalization and Health, which was based in Saskatoon, Saskatchewan.

"Under regionalization, a lot of those rural people are better served through regional services," says Kouri.

Though regionalization in Canada has not been properly evaluated, Kouri says, it would no doubt work better if provinces truly devolved power to the regions instead of treating them like "administrative bodies." She notes that health regions still don't have control over physicians' fees and drugs. Government refusal to relinquish power has, in fact, been a longstanding criticism of how regionalization has been implemented in Canada.

"Ultimately, however, the nature of a devolved authority, including the degree of power it can wield, is related less to its structural characteristics than to the outcome of the negotiation process that is an integral part of the devolution," researchers at McMaster University in Hamilton, Ontario, noted in 1997 (*CMAJ* 1997;156:371-7).

"An illustration of this fact is the provincial governments' unwillingness to relinquish financial control over two or the three biggest expenditure areas in health care — physicians' fees and drugs. These circumstances are less than optimal for devolved authorities that are intent on integrating and coordinating the primary care sector."

Overall, the jury is still out about regionalization. Experts note that there hasn't been enough evidence gathered to determine if regionalization is working in Canada, though that information may be coming soon.

"We are getting to a point where we can assess what might be the best system for a given population," says Pamela Fralick, president and chief executive officer of the Canadian Healthcare Association. "But often you have a lot of good intentions and best guesses." — Roger Collier, *CMAJ*

Part I: All eyes on Alberta http://www.cmaj.ca/earlyreleases/27jan10-all-eyes-on-alberta.dtl
Part II: Different routes to regionalization http://www.cmaj.ca/earlyreleases/28jan10-different-routes-to-regionalization.dtl

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