Canadian Coalition for Public Health in the 21st Century

BEYOND THE NAYLOR GAP: PUBLIC HEALTH AND PRODUCTIVITY

Brief to the Standing Committee on Finance / Mémoire au Comité permanent des finances

Coalition canadienne pour la santé publique au 21e siècle

AU-DELÀ DE L'ÉCART NAYLOR : LA SANTÉ PUBLIQUE ET LA PRODUCTIVITÉ

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SUMMARY

Economic productivity is affected by both the corporate 'bottom line', and by the well-being of individuals and communities. A recent Canadian study points out that both Canadian CEOs and employees recognize an 'overarching workforce productivity gap', and attribute that gap to the relationship between workforce health and bottom-line efficiency.[1]

By preventing illness, injury and disease and through government investment in communities, productivity is increased as the direct and indirect costs of health care are reduced. The economy is more resilient, better able to plan for the future, and to respond to unforeseen events, such as the catastrophic losses experienced by the United States in recent months. The sustainability of the publicly funded health care system is strengthened as investments in prevention divert pressures from health care over the longer term. Investments to strengthen the public health system bring both economic and health benefits.

RECOMMENDATIONS

1. The federal government call on the provincial/territorial governments to ear-mark a portion of the increased resources provided in the 10-year plan for public health activities, and for greater transparency in health spending.
2. The federal government should increase to $1.1 billion per year its core funding for federal public health functions, including the ongoing operation of the Public Health Agency of Canada, public health partnerships, the prevention and control of communicable and non-communicable diseases, and the promotion of the health of all Canadians.

3. The federal government should allocate sufficient funds, through the Public Health Agency of Canada, to enable Human Resources and Skills Development Canada to conduct a multidisciplinary sectoral study of Canada's public health workforce and the development of a long-term strategy for its renewal and sustainability.

4. The federal government should make a long-term funding commitment to a national immunization program including $100 million annually to initiate and sustain immunization programs and $10 million annually to support the National Immunization Strategy.

5. That the Public Health Agency of Canada update the Economic Burden of Illness report every three years and formally incorporate this concept into its sustainable development strategy with respect to the balancing of surveillance, prevention, programming and research.

6. The federal government should request the Health Council of Canada to include the performance of the public health system in its reporting to Canadians.

RÉSUMÉ

La productivité économique varie non seulement en fonction des résultats financiers des entreprises, mais aussi du bien-être des individus et des collectivités. Une étude canadienne récente souligne qu'au Canada, les chefs de direction et les travailleurs admettent l'existence d'un important écart de productivité, qu'ils attribuent au lien entre la santé de la main-d'œuvre et le souci des résultats financiers.[2]

La prévention des maladies et les investissements publics dans les collectivités font baisser les coûts directs et indirects des soins de santé, ce qui rehausse la productivité. L'économie est ainsi plus résiliente, mieux en mesure de se préparer pour l'avenir et de réagir à des imprévus tels que les pertes catastrophiques vécues aux États-Unis ces derniers mois. En soulageant à long terme les pressions exercées sur les soins de santé, les investissements dans la prévention renforcent la viabilité du régime public de soins de santé. Et les investissements qui renforcent le réseau de la santé publique procurent des avantages à la fois économiques et sanitaires.

RECOMMANDATIONS

1. Que le gouvernement fédéral demande aux gouvernements provinciaux et territoriaux de réserver une partie des ressources accrues prévues dans le plan décennal à des activités de santé publique et à la recherche de plus de transparence dans les dépenses pour la santé.
2. Que le gouvernement fédéral porte à 1,1 milliard de dollars par année son financement des fonctions de base en santé publique au palier fédéral, y compris et les activités courantes de l'Agence de santé publique du Canada, les partenariats en santé publique, la prévention et le contrôle des maladies transmissibles et non transmissibles, et la promotion de la santé de tous les Canadiens.

3. Que le gouvernement fédéral affecte des fonds suffisants, par l'entremise de l'Agence de santé publique du Canada, pour permettre à Ressources humaines et Développement des compétences Canada de mener une étude sectorielle multidisciplinaire sur les effectifs de la santé publique au Canada et d'élaborer une stratégie à long terme pour assurer le renouvellement et la viabilité de ces effectifs.

4. Que le gouvernement fédéral s'engage à financer à long terme un programme national d'immunisation, en octroyant notamment 100 millions de dollars par année au lancement et au soutien de programmes d'immunisation et 10 millions par année à l'appui de la Stratégie nationale d'immunisation.

5. Que l'Agence de santé publique du Canada mette à jour tous les trois ans son rapport intitulé *Le fardeau économique de la maladie au Canada*, et qu'elle intègre officiellement cette notion de fardeau économique dans sa stratégie de

développement durable, afin de déterminer le poids respectif à accorder à la surveillance, à la prévention, aux programmes et à la recherche.

6. Que le gouvernement fédéral demande au Conseil de la santé du Canada d'inclure la performance du réseau de la santé publique dans ses rapports aux Canadiens.

1.0 INTRODUCTION

The Canadian Coalition for Public Health in the 21st Century (CCPH21) is pleased to make its second presentation to the Standing Committee on Finance. The purpose of our presentation is to make sure that the forthcoming budget recognizes public health as the national priority it must be.

CCPH21 is a partnership of 39 national non-government, professional, health, and research organizations and coalitions committed to making Canadians the healthiest people in the world by advocating for an effective integrated public health system.

The Coalition came into existence in May of 2003, while SARS was still claiming victims in Canada. The SARS outbreak drew public attention to the urgent need for reform of this country's public health system, and the federal government responded by establishing the National Advisory Committee on SARS and Public Health (the Naylor Committee). Many of this committee's recommendations were subsequently acted upon; as a result we now have a Public Health Agency of Canada (PHAC) and a Chief Public Health Officer, so that public health now has a visible "face". The government has also committed $665 million over 3 years to national public health functions, in addition to the existing $400 million that was transferred from Health Canada to the new agency.

These are good first steps, but a gap remains between the Naylor Committee's recommendations and the federal government's actions. As well, since Naylor reported, and since our last appearance before you, the importance of a strong, resilient public health system has increased. In the face of Hurricane Katrina, earthquakes in Pakistan, mudslides in Guatemala and the ever-closer threat of pandemic influenza, public health must be strengthened now. Disease and natural disasters respect neither border nor jurisdiction.

In our pre-budget submission, CCPH21 outlines its recommendations for not only filling the Naylor gap, but carrying forward the next installment of public health funding. Only through strong immediate action can Canadians be assured of the effective public health system that they, and the economy, need.

Though health services are labeled a matter of provincial jurisdiction, the health of Canadians, and the means to improve and maintain it – that is, public health - are matters of national and pan-Canadian importance with global implications.

2.0 THE NATURE OF PUBLIC HEALTH

Public health focuses on the social, environmental and economic factors affecting health as well as on the communities and settings where people gather, live, love, work, and play. It has five key functions:

- health promotion (actions to affect overall health and well being)
- prevention (of specific diseases, injuries and social problems)
- health protection (preventive and emergency services)
- health surveillance (keeping track of patterns of risk factors and disease to enable timely action).
- population health assessment (measuring, monitoring and reporting on the status of the health of communities)

Public health successes are taken for granted, largely because of their invisibility - who counts how many car crashes didn't happen yesterday, how many children didn't die from infectious disease, or how many people were not off work yesterday, because of strong workplace health programs, clean environment, safe water, nutritious food, immunizations, healthy living choices? Strong public health programming improves health in its own right, and is at the foundation of Canada's treatment system.

Economic productivity is affected by both the corporate 'bottom line', and by the well-being of individuals and communities. A recent Canadian study points out that both Canadians CEOs and employees recognize an 'overarching workforce productivity gap', and attribute that gap to the relationship between workforce health and bottom-line efficiency.[3]

By preventing illness and disease and by government investment in communities, the economy is more resilient, better able to plan for the future, and to respond to unforeseen events, such as the catastrophic losses experienced by the United States in recent months**.**

The Canadian Public Health Association has made a strong case for the link between prevention and productivity. Their analysis resonates with those of our many associations, which through their membership in the Coalition have agreed to a multi-sectoral, multi-disciplinary focus on 'upstream' activities that reduce illness, prevent injury and improve health of the public at large.

The health of the public reinforces the availability of a strong work force and lower costs for employers and to the health system. Investing in prevention of health problems enhances productivity, because investment in prevention lowers employer costs from long and short term disability, publicly funded health care, employer-funded health insurance, sick leave, as well as out of pocket expenses by individuals.

In a privately funded health care system, costs of health care drive up costs of doing business. Canada's publicly funded health care system is a support to business. Canada should continue to strongly support and adequately and appropriately finance its publicly funded health system, including public health.

Canada's ability to deal with dramatic disease is threatened by consistent under-resourcing, and the public health system cannot now deal effectively with current public health issues – chronic disease, obesity, mental illness, West Nile virus, food-and water-borne illnesses, prevention of injuries, food insecurity and other issues. There is no 'surge capacity' for emergencies. The entire public health system requires immediate, adequate and sustained federal and provincial/territorial investment in public health.

In this submission the Coalition has identified six priority areas in which the federal government should specifically provide financial and policy support.

1) More Resources to the Front Lines

Currently nearly $130B annually is spent on health in Canada; and of that the lion's share – likely more than 90% - is spent on treatment, with the remainder going to the public health system whose focus is on prevention of injury and disease, and protection from avoidable and unavoidable risks to health.[4]

In The Health Accord signed by First Ministers in November 2004, the importance of pan-Canadian action on public health was endorsed, as they acknowledged the need to improve public health infrastructure and increase institutional, provincial and territorial capacity. The 2004 Federal Budget set aside funds for what it labeled a 'first installment' for public health. The First Ministers' "Ten-Year Plan" approved an additional $41 billion in transfers to provinces and territories to address health system problems.

None of the new transfer payments, nor any of the existing ones are earmarked for public health. No accountability is required for the nearly $240B over ten years for the federal transfer payments for health.

A 2001 study prepared for the Federal, Provincial and Territorial Deputy Ministers of Health documented many of the 'capacity' issues faced by front line public health services.[5] The new "Ten Year Plan" funding and the current federal transfers may continue to go disproportionately to acute disease treatment at the expense of public health services that prevent illness and promote health, and thus, support economic productivity. This must not happen. Regional and local public health systems face the same problems as do federal ones though they are the "front lines" when a public health emergency strikes, they are often under-resourced. Funding must be allocated to the 'upstream' activities that are integral to a public health approach.

The Naylor Report called for 5% of total health spending to be directed toward public health. This year that 5% would equal $6.5B. We know that the federal government is spending about $.5B through its funding to the Public Health Agency of Canada, and has pledged that its first spending in the 2004 budget was a 'first installment'. How much are provincial governments spending? That question cannot be answered.

Recommendation #1

The federal government call on the provincial/territorial governments to ear-mark a portion of the increased resources provided in the 10-year plan for public health activities, and for greater transparency in health spending.

2) Funding for the Public Health Agency of Canada (PHAC)

In 2003 the Naylor Advisory Committee recommended an additional $700 million annually in funding for public health infrastructure and programming, including:

- $200 million for the Public Health Agency of Canada
- $300 million for partnerships
- $100 million for communicable disease surveillance and control
- $100 million to bolster the National Immunization Strategy.[6]

This recommendation was added to the $400 million funding for public health activities then provided within Health Canada and now transferred to the Agency.

The 2004 federal budget promised $665 million over 3 years - $221 million annually – substantially less than the $700 million annually in incremental funding that the Naylor Committee recommended. Moreover, Naylor's original estimate did not include other vital public health functions, such as surveillance and control of non-communicable diseases, and support for the Pan-Canadian Public Health Network to build capacity and provide coordinated responses to public health emergencies nationwide, whose development the Public Health Agency of Canada is facilitating.

The 2005 federal budget contained several items for public health. The investment of $300 million over five years for an Integrated Healthy Living and Chronic Disease Prevention Strategy is an important recognition of the costs of chronic disease and the benefits of a collective, preventive approach. The budget also allocated $34M over 5 years for pandemic influenza preparedness. In the face of current attention to the spread of Avian Flu, that amount may not be sufficient.

In recent years, many non-governmental initiatives dealing with public health issues have arisen – this Coalition is an example, as is the Chronic Disease Prevention Alliance, and the Joint Consortium on Health Promotion Research, and the School Health Consortium. These organizations are part of the solution to the productivity gap,

as their policy development, program delivery and engagement of citizens strengthens the nation's health.

Meeting the Naylor Gap would bring Agency funding to $1.1B, an increase of approximately $600M over their current planned spending.[7] In the face of pandemic, emergency preparedness, the emerging epidemic of chronic disease, and ongoing pressures, the federal government should immediately allocate that amount to the PHAC.

The upcoming federal budget should remedy the "Naylor Gap," improve funding for pandemic influenza preparedness and build on the strengths of emerging voluntary sector activities.

Recommendation #2

The federal government should increase to $1.1 billion per year its core funding for federal public health functions, including the ongoing operation of the Public Health Agency of Canada, public health partnerships, the prevention and control of communicable and non-communicable diseases, and the promotion of the health of all Canadians.

3) A National Public Health Workforce Strategy

Experts all agree that Canada has a serious shortage of appropriately trained workers at all levels in public health. Many current front-line practitioners are public health nurses, but the workforce also comprises staff from other disciplines (e.g. health inspectors, nutritionists, health promoters, community development specialists, public health dentists, researchers, epidemiologists). Few front-line people are graduate-level public health professionals, and those that do exist are not equitably distributed across jurisdictions. In addition, though front line practitioners require a broad range of skills and knowledge to allow them to work effectively on increasingly complex public health issues, there are virtually no resources dedicated to addressing their continuing education needs. The picture is similar at management and leadership levels.

The Naylor Committee concluded that the only way forward was a coherent national public health human resources strategy, and it recommended that Health Canada engage provincial and territorial ministries of health, as well as a wide range of non-governmental partners, in immediate discussions around the initiation of this strategy. Naylor also recommended that the Strategy should include funding mechanisms to support public health human resource development on a continuing basis.[8] CCPH21 concurs wholeheartedly with these recommendations.

We also note that the broader issue of health human resources is under review, and we urge the Public Health Agency of Canada, Health Canada, and Human Resources and

Skill Development Canada to develop a coordinated strategy that includes both public health and health care human resource issues.

For example, Human Resources and Skills Development Canada is currently conducting sector studies on a number of health disciplines: medicine, nursing, pharmacy, oral health and home care. These sector studies have been effective in bringing stakeholders together to identify workforce-specific problems and their solutions. Public health could benefit from a sector study of its own. Given the multi-disciplinary nature of public health, this study would have the additional value of being the first to analyze public health human resource needs across disciplines.

Recommendation #3

The federal government should allocate sufficient funds, through the public Health Agency of Canada, to enable Human Resources and Skills Development Canada to conduct a multidisciplinary sectoral study of Canada's public health workforce and the development of a long-term strategy for its renewal and sustainability

4) A National Immunization Strategy

Vaccines are among the greatest public health achievements of the 20th century. Thanks to immunization, infectious diseases, once a leading cause of death in Canada, now account for less than 5% of this country's mortality. Immunization is also one of the most cost-effective health interventions available, and the World Bank calls it the first public health initiative in which governments should invest.

Record-keeping regarding immunization varies across provinces in both definition and frequency: comparative statistics are not available. However, federal statistics show that the coverage for government-funded vaccines for preventable childhood diseases is less than the optimal rate required to control disease (90%). As well, immunization coverage for children has fallen over the last ten years. And, the coverage rate is thought to be substantially lower for adults, and for vaccines for which governments do not pay.

Finally, immunization coverage varies from province to province. There are continuing differences in the vaccines that are covered by provincial immunization schedules. These differences may increase with the ongoing development of new vaccines, which provinces may be reluctant to fund if they are costly.

Canada's health ministers have approved a National Immunization Strategy, however it has not yet been fully implemented. In 2003 Health Canada provided $45 million over 5 years for the Strategy's development and implementation. The November 2004 Health Accord specified that the federal government 'commits to building on recent investments

in immunization through ongoing investments for needed vaccines', and Budget 2004 allocated $300M in one-time funding to P/T governments for new and recommended childhood and adolescent vaccines.[9] This is a good start, but more is needed, as new vaccines come on-line, and in order to ensure that Canadian sources for vaccine continue to be economically viable. The Naylor Committee recommended funding of $100M per year for the National Immunization Strategy.

Recommendation #4

The federal government should make a long-term funding commitment to a national immunization program including $100 million annually to initiate and sustain immunization programs and $10 million annually to support the National Immunization Strategy.

5) Data Requirements - Prevention and Control of Disease

In current deliberations on public health in Canada, most of the attention has been given to control of infectious disease. However, PHAC's mandate also includes prevention of non-communicable and chronic disease, including health promotion programs to reduce the prevalence of risk factors such as tobacco use, unhealthy eating and inadequate physical activity. Traditionally disease prevention and health promotion have not been a high financial priority with decision-makers, possibly because their economic benefits are not immediately apparent. However, preventable chronic diseases and injuries, for example, impose a heavy economic burden on businesses and on individual Canadians, in terms of health care expenses, disability pensions, lost productivity and other costs.

In the past, Health Canada has released sporadic reports on the economic burden of disease in this country; the most recent editions were published in 1993 and 1998.[10] These reports suggest that our research priorities do not necessarily correspond to the economic burden of disease. For example, musculoskeletal diseases cost Canada $16.4 billion per year in 1998, ranking 9th in terms of direct cost, and 3rd in terms of indirect cost; yet they received only 1.3% of research funding in 1998.

If economic considerations are to influence Canada's research and programming agendas, it follows that we should devote resources to health conditions commensurate with their economic burden on the country. Economic burden data should form part of Health Canada's sustainable development report. If reports on the economic burden of disease are prepared on a regular basis instead of sporadically, Canada would have better data to help re-calibrate programming and research.

Recommendation #5

That the Public Health Agency of Canada update the Economic Burden of Illness report every three years and formally incorporate this concept into its sustainable development strategy with respect to the balancing of surveillance, prevention, programming and research.

6) Benchmarks for Public Health Performance

On September 15, 2004, all fourteen of Canada's First Ministers agreed on a *Ten-Year Plan to Strengthen Health Care.* The Plan established a requirement for evidence-based benchmarks, comparable indicators, clear targets and transparent reporting to the public. The following month, the Throne Speech committed governments, for the first time, to setting goals and targets for improving the health status of Canadians, with the Health Council of Canada being responsible for providing an annual report on health status and outcomes. (These would undoubtedly complement work by the Canadian Institutes for Health Information such as "Improving the Health of Canadians".) To provide an adequate picture of the determinants of this country's health status, the Health Council must incorporate public health benchmarks on system performance, activities, and outcomes in its annual reports.

Recommendation #6

The federal government should request the Health Council of Canada to include the performance of the public health system in its reporting to Canadians.

CONCLUSION

The SARS outbreak was a wake-up call to Canada; since then, few Canadians remain unconvinced that our public health system must be supported and improved to make it the best in the world. Now, the threat of pandemic influenza shares media attention with the costs of preventable chronic disease. The Canadian Coalition for Public Health in the 21st Century congratulates the Government of Canada for the considerable progress it has made in this direction. More funding to the 'upstream' side of the health equation is required, and it is needed now. Our members are committed to working with you to further improve Canada's public health system, for the sake of the health and safety of Canadians.

Canadian Coalition for Public Health in the 21st Century
Membership (October, 2005)
Coalition canadienne pour la santé publique au XXIe siècle
organisations membres (octobre 2005)

Association of Canadian Academic HealthCare Organizations	Association canadienne des institutions de santé universitaires
Association of Medical Microbiology and Infectious Disease Canada	Association pour la microbiologie médicale et l'infectologie Canada
Canadian Alliance on Mental Illness and Mental Health	Alliance canadienne de la maladie mentale et de la santé mentale
Canadian Association of Occupational Therapists	Association canadienne des ergothérapeutes
Canadian Association for School Health	Association canadienne pour l'éducation à la santé
Canadian Association of Public Health Dentistry	Association canadienne de santé dentaire publique
Canadian Cancer Society	Société canadienne du cancer
Canadian Chiropractic Association	L'Association chiropratique canadienne
Canadian Dental Association	Association dentaire canadienne
The Canadian Coalition for Immunization Awareness & Promotion	Coalition canadienne pour la sensibilisation et la promotion de la vaccination
Canadian College of Health Service Executives	Collège canadien des directeurs de services de santé
Canadian Dental Hygienists Association	Association canadienne des hygiénistes dentaires
Canadian Diabetes Association	Association canadienne du diabète
Canadian Healthcare Association	Association canadienne des soins de santé
Canadian Institutes of Health Research, Institute of Population and Public Health	Instituts de recherche en santé du Canada, Institut de la santé publique et des populations
Canadian Medical Association	Association médicale canadienne
Canadian Nurses Association	Association des infirmières et infirmiers du Canada
Canadian Paediatric Society	Société canadienne de pédiatrie
Canadian Pharmacists Association	Association des pharmaciens du Canada
Canadian Physiotherapy Association	Association canadienne de physiothérapie
Canadian Psychological Association	Société canadienne de psychologie
Canadian Public Health Association	Association canadienne de santé publique
Canadian Society for International Health	Société canadienne de santé internationale
Canadian Society for Medical Laboratory Science	Société canadienne de science de laboratoire médical
Canadian Veterinary Medical Association	Association canadienne des médecins vétérinaires
Chronic Disease Prevention Alliance of Canada	Alliance pour la prévention des maladies chroniques du Canada
College of Family Physicians of Canada	Le Collège des médecins de famille du Canada
Community & Hospital Infection Control Association Canada	Association pour la prévention des infections à l'hôpital et dans les communautés
Dietitians of Canada	Les diététistes du Canada
Heart and Stroke Foundation of Canada	Fondation des maladies du cœur du Canada
Institute of Population Health - University of Ottawa	Institut de recherche sur la santé des populations – Université d'Ottawa
National Specialty Society for Community Medicine	Société nationale de spécialistes pour la médecine communautaire
St. John Ambulance	Ambulance Saint-Jean
Ontario Public Health Association	Association pour la santé publique de l'Ontario
Physicians for a SmokeFree Canada	Les Médecins pour un Canada sans fumée
Safe Kids Canada	Enfants en sécurité Canada
The Lung Association	L'Association pulmonaire
University of Toronto, Department of Public Health Sciences, Faculty of Medicine	Université de Toronto, Département des sciences de la santé publique, Faculté de médecine
YMCA of Canada	YMCA Canada

[1] "New Canadian Study Reveals Widespread Concern Over Employee Health And Workplace Productivity" press release, FGI World Toronto June, 2005. downloaded from http://www.fgiworld.com/eng/articles/press_6_8_05_survey.pdf on October 4, 2005

[2] « New Canadian study reveals widespread concern over employee health and workplace productivity », communiqué de FGIworld Toronto diffusé en juin 2005. Téléchargé de l'adresse http://www.fgiworld.com/eng/articles/press_6_8_05_survey.pdf le 4 octobre 2005. [Le sondage – mais non le communiqué – est disponible en français sur le site http://www.fgiworld.com/eng/articles/6_8_05_survey_results_fr.pdf]

[3] Ibid.

[4] Canadian Institutes of Health Information – National Health Expenditure Data

[5] "Survey of Public Health Capacity in Canada: Technical Report" Report to the Federal, Provincial Territorial Deputy Ministers of Health, by the Advisory Committee on Population Health, February 2001. Available through Access to Information

[6] "Learning from SARS: Renewal of Public Health in Canada The Report of the National Advisory Committee on SARS and Public Health", Health Canada October 2003

[7] Report on Plans and Priorities, Public Health Agency of Canada, 2005-2006. p. 36

[8] "Learning from SARS" page 138

[9] Budget Plan 2004 , Department of Finance, Government of Canada p. 101

[10] Economic Burden of Illness in Canada, 1998. available at www.phac-aspc.gc.ca/publicat/ebic-fema98/index.html