

Personal Injury

Canada needs to look to the Netherlands for health-care reform | Tracey Tremayne-Lloyd

By **Tracey Tremayne-Lloyd**

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(July 6, 2022, 8:42 AM EDT) -- Medicare was introduced in Saskatchewan 60 years ago, accompanied by great promise. Four years later it became a national program and has won Canada acclaim in the decades since. But that praise has been muted in recent years, drowned out by increasing media reports of long wait times, overcrowded emergency departments and a shortage of family doctors.

Canada's once-vaunted medicare is on life support. And it will only get worse.

The latest critique of our ailing medicare system comes from Katharine Smart, president of the Canadian Medical Association (CMA). She recently told CTV News that "what's clearly coming is the collapse of the current health-care system," adding "[what] we're not seeing is the political will to take that seriously."

Despite those strong words, federal and provincial governments seem content to keep our national health-care system lingering on life support, despite the suffering it causes citizens. It should be obvious that they need to address the structural problems at the core of our health-care woes, but that would take political courage and innovation.

When it comes to innovative ideas about health care, Canadian politicians only need to look abroad, specifically to the Netherlands. The land that gave us the microscope, Wi-Fi and the stock market has a health-care system widely regarded as one of the best in industrialized nations.

Both the Dutch and Canadian systems start with the same basic premise: that every citizen is entitled to health services. But they take wildly different paths to achieve that objective. In Canada, medicare is funded by one payer: the government, through our tax dollars. In the Netherlands, every citizen is required to pay for private insurance to help fund the nation's health-care system.

Dutch residents without insurance are fined or their insurance premiums may be levied directly from their paycheques. The small number who conscientiously object to health insurance can opt out, but only if they agree to make mandatory contributions into a health savings account.

Most insurers in the Netherlands are not-for-profit. Under Dutch law, they are required to accept all applicants, not just well-off ones. Any profits are allocated to reserves returned to clients in the form of lower premiums. Standard benefits under the Dutch plan include hospital stays, access to a physician, home nursing accommodation and prescription drugs. In the Netherlands, children under 18 receive free health care. Once they turn 18, they are expected to pay premiums and annual deductibles. There are also co-payments for certain services and drugs.

Because they are private, insurers are able to negotiate price and services with health-care providers, leading to more cost-effective treatment for their clients. Dutch residents can also shop around between insurers, looking for the service and premium level they want and can afford.

This blend of private and public health-care funding has been commended in many quarters. "The Dutch health care system offers more timely access to emergency care, primary care, specialist care

and elective surgery than the Canadian system, with wait times in the Netherlands having shortened significantly in recent years," says Nadeem Esmail, Fraser Institute senior fellow and author of the report *Health Care Lessons From the Netherlands*.

"Policymakers interested in reducing delays for health care in Canada could learn valuable lessons from the Dutch approach," he adds.

While the report identifies some shortfalls in the Dutch system, a summary of the report notes that "there is much Canadians can learn from the Dutch approach ... [in terms of] the private ... provision of acute care hospital and surgical services," "permissibility of direct private purchasing of health care," and "its system of statutory independent private insurers providing universal services to their insured populations on a largely premium-funded basis ... these reforms have been shown to provide superior access to, and outcomes from, the health-care process."

An injection of competition would only benefit our medical system. As a health lawyer, I regularly hear from my clients — doctors, surgeons and other health professionals on the front lines — about the unbearable workloads they face as Canada tries to preserve a centralized health-care system that fails to meet the demands of today's diverse and complex society.

The Dutch model, on the other hand, is winning near-universal praise. According to the World Index of Healthcare Innovation, the Dutch health-care system is the second-best in the world, only slightly behind first-ranked Switzerland. The Netherlands' best performance was in choice, as Dutch residents cannot only choose from dozens of health insurers but also doctors and specialists.

It is time for a change. A new approach is needed. It is time to go "Dutch" with our health care.

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