

The NHI Plan will not do as is

The Medical Association of The Bahamas

At the Alma Ata Conference in 1978, the World Health Organization reaffirmed the declaration of its 1946 Constitution that health care was a fundamental human right of all peoples. Launching the mission "Health Care for All", the WHO and member countries promised to deliver basic health care for the world's population by the year 2000. Few governments (in both developed and developing countries) have lived up to the challenge. They have found health care delivery systems are complex, costly to implement, manage and sustain. In every country, guaranteed access and availability of appropriate healthcare to all citizens has remained a formidable challenge. Each country is faced with its unique array of issues.

The Medical Association of the Bahamas fully supports and endorses any new funding mechanisms that will guarantee all Bahamians have access and equity to a defined package of comprehensive health services. We express our grave concerns however, that the current BRC proposed National Health Care Insurance plan, will adversely affect the quality of healthcare received by all Bahamians, and curtail timely access despite the noble intentions to do otherwise.

Over the past thirty years, the Bahamas has achieved country health care profiles equivalent to those of Developed countries. However we ranked 94th out of 191 countries evaluated by WHO in healthcare delivery. Given the archipelagic reality of the Commonwealth of the Bahamas, where duplication and replication of health services by the government is a necessity. However, delivery of healthcare remains less than perfect.

The Consolidated Fund has been saddled with the burgeoning costs of delivering increasingly more expensive health care services. The impact of these high costs creates the potential for sizeable budgetary deficits, drastically curtails the available funds for capital development, institutionalizes health care rationing and more importantly threatens to erode current accomplishments in health care delivery.

The provision of adequate funding for health care services has become a formidable challenge. The Government of the Bahamas once again seeks to address the issue of guaranteeing health care services to all citizens.

In 2002, the National Blue Ribbon Commission was established to address this pertinent issue of funding health care services to determine the feasibility of implementing a National Health Insurance Scheme: "one that would ensure that health care for ALL could be guaranteed, protected and free from financial burden at the time of use".

The Blue Ribbon Commission's report concluded that a national socialized health insurance is the favored option. First, this mandates that all employed workers pay health insurance premiums via joint contributions from employees and employers. Second, that the mandatory premiums payment for the comprehensive benefits package should be paid to and managed by the NIB; Third, the participation of the private insurance sector will be confined solely to a "supplementary insurance responsibility."

At the Press release in January 2006, the Medical Association of the Bahamas and the population at large were informed of the preliminary price tag of the proposed NHI initiative, costs of the comprehensive benefits package to employees and employers, and hence the implications of the introduction of this national financial expense.

After thorough and deliberate review of the Blue Ribbon Commission's Report and the financial projections, as the primary advocates for health in the country, we, The Medical Association of

The Bahamas (MAB) reiterate our *deep concerns that the NHI Scheme, if implemented as currently proposed, will adversely affect the quality of healthcare received by all Bahamians, and curtail timely access despite the noble intentions to do otherwise.* Further as the professionals who are duty-bound to implement and deliver healthcare (along with others such as nurses, health administrators, etc.), we do not believe that the NHI Scheme adequately addresses the real problems and challenges faced by our healthcare system.

Fundamentally, we wish to ensure that there is additional dialogue, thoughtful discussion and careful revision of this far-reaching national plan to achieve meaningful reform of our healthcare system. We agree with and are committed to positively impacting the health of our nation. This plan will not get us where we ought to go!

The Medical Association of the Bahamas does not accept or support the conclusions and financial projections of this socialized health insurance scheme as the best option for funding health care in the Bahamas. We can categorically state that the assumptions used to derive the conclusions that form the pillars of the NHI Scheme are flawed or imprecise.

Most importantly, we are not convinced that the prerequisite infrastructural improvement, equipment and technology acquisition, and tangible quality enhancement initiatives - all of which are needed and have been recommended prior to the launch of such a comprehensive and far-reaching plan - have been adequately planned, realistically budgeted or even minimally implemented.

We highlight three (3) prominent features of the proposed NHI Proposal which ought to cause serious national concern:

1. The overall cost of implementing the program will have a negative impact on the individual discretionary income of Bahamians as well as the national economy. This is tantamount to a new tax burden. We believe that The NHI scheme will be far more expensive to implement and maintain than stated. This should force us to carefully study the impact of NHI on the real cost of living and the resultant impact on the national economy.

The financial projections to cover the cost of the comprehensive benefits and "infrastructural strengthening" as outlined in the initial release by the BRC are unrealistic. Nor do the projections address future enhancements which will have to take place in many communities nation-wide.

All of our public healthcare facilities currently face serious challenges to meet the demands of the population because of maintenance and capacity woes, structural inadequacies and obsolete design. None of these facilities have modern information technology systems or adequate diagnostic or therapeutic capacity to meet the current demands of the population. All are in real need of fundamental reform predicated on patient satisfaction, quality service and outcomes based efficiency. Experience of all of our geographic neighbors attests to the elusive nature of funding healthcare.

The MAB challenges the validity of the proposed scheme to deliver the promised increased access and quality of care it so expounds. The hallmark of every national health care system in which access and equity are central to its existence is an exponential increase in utilization of services. As people will be paying directly for their healthcare, there is an entitlement and a right for care. Noting the current demands on the emergency services and hospital-based care, the MAB perceives the experiences will be as that of Canada. We quote several examples of waiting times for non-urgent care; an average of four months for an MRI Scan, 6 months for Open Heart Surgery, 1 year for joint replacement surgery; and people die while waiting for treatment. How soon after we embark on the National Health Insurance Plan will the Government have a website for waiting lists as they do in every Canadian Province? The Government recently announced

that the Cuban screening program for eye care within weeks revealed hundreds of Bahamians in need of cataract surgery. What about screening programs for cancers and heart disease, our 2 biggest killers? How many more Bahamians will be identified in need of care? How long will our waiting lists be for the very people who now have more access to care? And when care is accessed, what utilization rates have we projected? And at what costs?

When Medicare in the USA was created in 1965, forecasters estimated it would cost \$37 billion a year. By 1990, it cost \$67 billion - rising to more than \$200 billion in 2003 - a 300% increase within 10 years. The Medicare Prescription Drug Improvement Act of 2004 was estimated at \$400 billion when introduced. In an article published by the CBS News (2/05) *"The administration now concedes that drug coverage, which starts in 2006, will cost taxpayers \$723 billion over the next ten years, nearly \$200 billion more than earlier projected."* Pharmacy coverage is one of the covered benefits of the NHI plan as well! These illustrations highlight the likely impact of an NHI plan if not carefully considered and adequately planned.

2. It is also important for the public to be aware that the NHI plan is to be financially self-sustainable. The Government maintains that it will continue its present contribution to healthcare from the National Budget. Our concern is that as the cost of healthcare increases over time, where will the balance of funds be obtained? New Taxes? Budgetary allocation? Increased premiums?

The MAB believes that it is also important for the Bahamian public to appreciate that while the private insurance sector will be able to participate in providing health insurance coverage, its participation is significantly curtailed with the government's one-payer mechanism. While the savings of a one-payer system as proposed by the BRC has merit, the implications are that the need for these related administrative and management jobs in the private sector will become redundant. So too will the right of Bahamians to have their health insurance services managed exclusive of government bureaucracy - unless one is prepared to pay the duplicate cost for a comprehensive package of benefits in the private insurance company; paying the comprehensive package to NIB is mandated by law.

The MAB is concerned of the potential negative impact on innovation, quality and productivity by this shift in management of one of the largest sectors of our economy. With this legislative thrust, we will be expanding the public sector and extending the inefficiencies and inertia that have historically been vexing problems in the healthcare sector to date.

3. The Medical Association of the Bahamas fully supports government initiatives to identify and implement solutions to provide adequate funding for health care services.

But we are even more concerned that those additional funds collected are utilized to the real benefit of the people. Based on the current problems faced we are not convinced that this is solely a challenge of collecting more money. A new tax burden should only be implemented if the net positive effect of that tax is worth the real cost to those paying the bill.

At a presentation to the Blue Ribbon Commission, the Association recommended that the government seek to explore and improve the Public-Private Partnership initiatives that currently exist in the country and which have demonstrated real value for the Bahamian public.

The purchase of health care services in the private sector (i) reduces significantly the need for government to provide health capital investment; (ii) ensures the provision of state-of-the-art technology and its access to both public and private sector patients and (iii) negates the inefficiency of the civil service bureaucracy (more than 80% of health care funding in the Ministry of Health apply to personal emoluments.)

The most prominent factor in the increasing cost of health care is the price tag of technology; Public Private Partnerships and cooperation can reduce significantly this capital burden in the government's health care budget while reducing some redundancy as the public sector struggles to catch up in areas of technology and equipment acquisition.

The MAB believes that a strong and vibrant private sector, well equipped and efficient will most effectively complement a similarly developed public sector. Together, we can deliver safe, timely healthcare to all of our people while maintaining and increasing real choice, service and privacy. For too long, the public sector has been neglected and has not had appropriate levels of infrastructural enhancement. As a consequence, many novel approaches of inter-sectoral cooperation have been developed and these have dramatically strengthened the overall health capacity of the Bahamas.

As opposed to ownership of health care facilities and technologies, the government's philosophy should be focused on ensuring availability of services and regulation of health care standards. As the largest purchaser of health care services, the government can negotiate the best prices and thus optimize and maximize our tax payers' funds. Economies of scale and quality considerations in a nation of our size could preclude redundancy of certain services. Hence certain services will develop in a "public" institution while others develop elsewhere. More importantly, the Medical Association of the Bahamas further suggested that if we incorporate a national mutual fund (from the health care levy) and with contributions from Private Insurance companies, a formal community based rating insurance policy can be established on a national basis; this tenet of a national health plan is particularly suited for the senior citizens and retirees. It allows this treasured segment of our population to continue with major medical insurance coverage at affordable premiums. In so doing, this would ensure that every Bahamian who desires to purchase a private insurance can do so without fear of rising annual premiums once they get sick or losing it when they reach retirement age. This again would relieve significantly the costs of service provision in the public institutions.

The major investment of the private sector in health care delivery and its integration into the public sector is unprecedented in the region. It has been the driving factor that has enabled Bahamians to enjoy the highest standard of health care delivery both in access, availability and equity in the English speaking Caribbean.

There are currently 31 medical and surgical specialty and subspecialty disciplines in the Ministry of Health PMH. The availability, accessibility and affordability of health care for all Bahamians are national commitments of our physicians; the fact that the government employed Consultant staff reflects a full cadre of Bahamians physicians, attest to this. There is no country in seeking a national health insurance initiative that had at its onset, such a comprehensive spectrum of health care services in the public sector and particularly one in which the public sector services can equate to that of the private sector care. The government maintains that no Bahamian can be denied care in a government facility because of inability to pay - whether in the primary, secondary or tertiary levels. Hence theoretically, the current Public Private Partnership allows every public patient in the Bahamas the right to essentially every available modern medical and surgical diagnostic and therapeutic service, locally. Through advancing our Public-Private Partnerships to maximize our individual core competencies, initiatives and strengths, we can make quality health care accessible available, equitable - and affordable to all as well.

Public-Private Partnerships are not only for Physician Services. The private duty nursing agencies provide vital services to our private ward services at the Princess Margaret Hospital. Nurses NOW provide essential home care services in the community. Pharmacists, physiotherapists, private laboratories and other healthcare providers must be encouraged to formalize service relationships with the Ministry of Health and thus reduce the Government's capital expenditure, while improving access simultaneously.

The Blue Ribbon Commission's report highlights that the fundamental problem in health care delivery is access and equity. We agree that more funding is needed to guarantee this health care privilege or "right" for all Bahamians even when we have come so close to achieving it to date.

The BRC attempts to reform funding of health care traveling along an abandoned health care highway of a centralized health care budget. Experience in the Canada, Britain and the European socialized medical systems have caused them to embrace these privatization principles which lend to individual rights and personal responsibilities. The Association supports this new concept to sharing health care cost with the private sector.

We believe that any new plan must include coverage for catastrophic care while ensuring systematic reform and improvement in preventative and primary care.

We are not opposed to funding real reform via the established tax mechanism of the National Insurance Board provided that the Bahamians receive real value - and we note that the NIB is currently not yet able to maximize value for the public.

Having been privileged to serve as the primary providers of healthcare to Bahamians, we wish to ensure that any program introduced will actually improve - and not diminish equity for all Bahamians. We have stood -and continue to stand- in the trenches of the public health system and have seen the problems and suffering of our patients. Daily we have witnessed first-hand the consequence of an overburdened, centrally directed and under-funded system. We believe that any planned solutions should accurately reflect the opinions of those charged with implementing the mandate who are morally and ethically obliged to maximize the benefits that accrue to the most important stakeholder -the patients. The record reflects that we have called repeatedly for improvements and have been forced to create solutions when the improvements were not forthcoming.

The Medical Association acknowledges the increasing and high costs of health care in the Bahamas; the need to provide for specific funding for health care is long overdue. We do not believe or accept, however, that the national or universal health insurance scheme as proposed is the viable option for the Bahamas; every country in the world that has embarked on this traditional centralized universal national health plan is now under major health care reform. We do not feel that our people should suffer from the same mistake.

The MAB will not negate its responsibility to inform and engage the people of the Bahamas to participate in the national debate on funding and improving health care. We wish the best for our patients - nothing more and nothing less!