



# BACK TO THE FUTURE

**There's a perfect storm brewing in long-term care. Unless this provincial government is prepared to change direction, and soon, seniors' care will continue to deteriorate. And elderly British Columbians will most certainly pay the price.**

It's a grim forecast. But when you consider the combined impact of under-funding, a critical bed shortage, and the BC Liberals' fixation with promoting private, for-profit facilities – regardless of cost or consequence – it's clear that seniors' care is in serious jeopardy.

Earlier this fall, freedom of information (FOI) requests filed by the media and the Opposition New Democrats revealed a trail of incidents involving abuse and neglect at Beacon Hill Villa – a publicly-funded, for-profit facility owned by Retirement Concepts.

In this case, complaints to licensing stretched back to 2002, with the vast majority occurring after the facility contracted out its entire care staff in 2004.

Not unlike Nanaimo Seniors Village—where Retirement Concepts terminated sub-care contracts and the entire care team was laid off three times in four years – Beacon Hill Villa also has a history of contract-flipping.

“Neither of these situations are isolated incidents,” says HEU's secretary-business manager Judy Darcy. “On the contrary, a clear and disturbing pattern has emerged where several corporate employers have abruptly terminated sub-care contracts after workers joined HEU or after the sub-contractor negotiated a first collective agreement with the union.”

Darcy says the root of the problem is *Bill 29* – the legislation that B.C.'s Liberal government used to facilitate privatization in acute and long-term care.

“Contract-flipping is an obvious attempt by these private owners to avoid unionization, duck their responsibilities to the collective bargaining process, and keep wages as low as they possibly can,” she says.

The result is a destabilized workforce, retention and recruitment problems, sub-standard working and caring conditions, and millions of taxpayer dollars going into investors' pockets instead of front-line care.

For many, it's a déjà vu scenario that's unraveling more than two decades of improvements in the province's nursing home sector.

When HEU first embarked on its now historic organizing drive in long-term care in the early 70s, conditions were appalling. Most workers' wages hovered just above the minimum, publicly-funded beds were limited, private-pay facilities were expensive, and short-staffing was the norm.

“The overwhelming reason that these workers sought to join a union didn't have anything to do

with wages,” recalled HEU organizer Sharon Yandle in *The Heart of Healthcare*. “It had to do with the conditions of patient care.”

In one private hospital, she says, “We had to essentially stop the organizing and try to launch an investigation into the conditions of patient care because they were so terrible.”

In the years that followed, HEU organized about 90 per cent of the workers in the long-term care sector. As working conditions improved, so did caring conditions.

Prior to sweeping into government in 2001, the BC Liberals produced their infamous “new era” document. It pledged to “work with non-profit societies to build and operate an additional 5,000 new intermediate and long-term care beds by 2006.”

In a pre-election interview with the *Guardian*, Gordon Campbell was even more explicit, vowing to provide more not-for-profit beds.

“I favour not-for-profit because when you deal with not-for-profit in communities you are actually building communities as well as health care,” he said, adding that “you provide a quality of care, and quality of facility that I think is significantly better.”

While the Liberals' subsequent failure to build the badly-needed long-term care beds is well known (in fact, they closed 2,400 long-term care beds in their first term), less attention has been paid to the flagrant about-face that occurred in respect to their promise to bolster not-for-profit seniors' care.

According to a 2005 research report by the Canadian Centre for Policy Alternatives (CCPA), more than 90 per cent of the net residential bed closures since 2001 were in the not-for-profit sector.

And where new beds were built in the Liberals' first term, the vast majority went to the private sector.

The CCPA report notes that prior to 2001, about 75 per cent of the province's seniors' care homes were non-profit and 25 per cent were for-profit. Of those, the vast majority of for-profit providers were individual proprietorships.

Not anymore. While access to publicly-funded residential care has steadily diminished, corporate involvement in both residential care and assisted living has virtually exploded.

One need look no further than information posted on the BC Care Providers' Association website to see how well the private sector is faring in the Liberals' “new era” world of seniors' care. Of 2,600 new beds scheduled for completion in 2007 and 2008, a whopping 85 per cent are being delivered through the private sector. Less than 15 per cent have been awarded to not-for-profit agencies.

“What we're seeing is an unbridled effort to corporatize seniors' care in B.C.,” says Darcy. “There's a lot of money to be made from providing care to vulnerable seniors, and this government is making sure private operators are given plenty of opportunities to turn our



## Who pays the price? Who reaps the profit?

long-term care homes into profit-making businesses.”

International research literature on the performance of for-profit and non-profit long-term care facilities is substantial, and the findings are conclusive: for-profit ownership is associated with severe quality deficiencies, added user charges, lower staffing, and higher costs both within and beyond the continuing care system.

A 1998 research study in the U.S. that analyzed all inspection surveys across all states in close to 14,000 facilities found that profit-making facilities had 30 per cent more violations of standards than non-profit facilities.

A Manitoba study found that for-profit nursing homes had far higher hospitalization rates for such conditions as dehydration, pneumonia, falls and fractures. And research into staffing levels in B.C.'s long-term care facilities, reported in the March 2005 issue of the *Canadian Medical Association Journal* (CMAJ), showed that, for the same government funding, levels for care and support staff were considerably lower in for-profit facilities.

A follow-up article published in CMAJ's January 2007 issue made this observation. “Differences in staffing between for-profit and not-for-profit long-term care facilities are not surprising. Given the same level of funding, for-profit facilities must, by definition, divert some of their funding to profits. Since staff costs account for a large portion of total budget expenditures, this is a natural place to realize cost savings.”

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