



HOSPITAL EMPLOYEES' UNION

NEWS RELEASE

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New hospital funding formula's impact on patient care unclear

Union concerned that fixed 'competitive' pricing for some surgical procedures will disadvantage smaller regional hospitals

The Hospital Employees' Union says a new provincial government scheme that will eventually deliver 20 per cent of hospital funding through volume-based competitive pricing for selected procedures may have a negative impact on patient care in smaller communities.

The plan announced earlier today by B.C.'s health services minister establishes a new provincial bureaucracy to oversee a potentially complex funding scheme for common medical procedures.

HEU secretary-business manager Judy Darcy says that today's announcement raises more questions than answers.

"There are many excellent pilot projects in health care that have improved access and quality while reducing costs," says Darcy. "Frankly, any effort to spread these innovations more broadly across the province is a positive move for patients.

"Government says that its new funding model is based on these innovations, but in fact the cornerstone of the new policy appears to be something quite different – a competition between hospitals to secure funding for high volume procedures at a set price."

Darcy says that such a scheme may disadvantage smaller regional hospitals that for a variety of reasons – including economies of scale – may not be able to deliver procedures at the same cost as larger facilities in the Lower Mainland or southern Vancouver Island.

"It would be disappointing if this policy forced some hospitals to abandon their less profitable patients – those with chronic health conditions – because an increasing share of their funding was linked to high volume, low cost procedures," says Darcy.

"The devil is in the details, but British Columbians need to know how this new formula will affect their access to a range of quality health services in their own communities."

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