

## Healthcare Privatization is Prevalent in PEI

This correspondence is a follow up to PEI UPSE's Op-Ed published on February 21, 2025, regarding 'Healthcare Privatization Not a Good Deal for Taxpayers'. Recent comments made at the PEI legislative standing committees by certain senior government officials such as, "As long as government pays for the service, is not privatization" and "I don't personally get too fussed about whether someone is private, broader public sector, a university" have validated PEI UPSE's concerns. This approach to health care services is reflected in the privatization of Cataract and MRI clinics, travel nurses, expansion of Maple services, and the "Self Managed Care Program," which is the purpose of this correspondence. PEI UPSE recently obtained information through the *Freedom of Information and Protection of Privacy* (FOIPP) Act which has further substantiated our concerns specifically as they relate to the cost of privatizing Public Homecare services, as referenced in our last Op-Ed.

For background context, Health PEI initially informed PEI UPSE that they wanted to conduct a pilot project of Self Managed Care for three clients (one in each county) that would offer services to persons not currently covered under the Homecare program. The Employer did not report back to the Union on the pilot project, nor provide any further updates. UPSE members working in the Homecare program started to bring concerns to the attention of PEI UPSE about the growth of this program, the monies being allocated, and that some members were informed they were not allowed to work for families under this program. In October 2024, the Union reached out to Health PEI representatives requesting information about this service/program as it appeared that Homecare was being privatized. The response received from Health PEI was:

"The Self-Managed Care Program offers financial resources to eligible individuals for hiring private home support and personal care services. The program is designed to complement the services offered by Provincial Home Care and provides clients with the flexibility to manage their own care needs, without duplicating the work currently provided by Home Care Workers."

### **Key points to be aware of:**

- **Service Provision: The Self-Managed Care Program enables clients and caregivers to hire and pay private care providers directly. Provincial Home Care services will continue to be delivered based on assessed needs, ensuring there is no overlap or duplication of services.**

- **Eligibility:** The program focuses on clients aged 65 and older who are eligible for long-term care. There is a focus on keeping individuals at home and avoiding early admissions to long-term care facilities or unnecessary hospital stays.
  - **Termination of Service:** If a client no longer meets the criteria, the program will cease, and Provincial Home Care services will continue as appropriate.
- The Self-Managed Care Program is a unique option that aligns with Health PEI's broader goals of providing flexibility for home-based care, while ensuring that existing services are supported.**

PEI UPSE followed up after receiving this information and asked Health PEI to forward the link to the government webpage that outlines the parameters and details on this program as the Union was not able to locate it anywhere on the PEI government sites. The response received to this request was, **“it is not on the website as it is not a stand-alone program”** and when asked for further clarification, PEI UPSE was provided with this response - **“This is a program. Standalone simply means it’s not a program you can refer to home care for in isolation of other services. You simply can’t just be on the “self-managed program”. Just like you simply can’t just be on other programs such as the “Medication Assistance Program” or “Continence program”.** Unable to obtain the necessary information, the Union submitted several FOIPP requests, and the information obtained was extremely concerning and alarming.

#### **FOIPP Findings:**

So, in review of the information provided through the FOIPP requests, PEI UPSE would like to highlight some key areas and stress that privatization of healthcare services is prevalent in PEI and is not cost effective. First and foremost, it was identified that the budget for FY2024-25 for the Self-Managed Care Program was **\$350,000**. However, in review of the forecasted spend for FY2024-25, the amount is actually **\$6,015,941**. That is an overspend of **\$5,665,941**. PEI UPSE requested information on any approval from Treasury Board for such a significant deviation from forecast to actual spend and was informed that “No Treasury Board memos have been submitted or approved funding for the Self-Managed Care Program to date”. This is concerning as the Auditor General Report addressed the issue of Health PEI spending monies not approved by the proper authority last year.

As noted previously, Health PEI representatives stated that this was not a stand-alone program. However, the information obtained through the FOIPP requests identified that the Self-Managed Care Program has a client handbook, expense forms, vendor registration

form, algorithm for services, program agreement form, and policy. It appears based on the information provided and budget allocation, it is a stand-alone program.

In review of the services the program provides funding for as outlined in the client handbook, it states, “you can hire personal care and respite services, as set out in the plan of care you developed with your Primary Coordinator.” This statement in the client handbook validates privatization. Public Homecare provides Personal Care and Respite services which are reflected in the program and the duties for public homecare workers. And, ironically enough, the care plan to be carried out by the private vendor the client/family hires are actually developed and established by the Primary Coordinator (a public service employee working for Public Home Care). For further clarification, **PEI UPSE fully supports the concept of enabling island residents to remain in their homes**, if possible, with the necessary personal and respite care services. However, the delivery of these essential services should be provided by the highly qualified and trained professionals in the public health system, specifically Home Support Workers.

PEI UPSE has previously noted in our February Op-Ed that Health PEI should focus on improving public healthcare for Islanders where there is more accountability, transparency, and a qualified documented level of care. The public deserves access to clear information regarding the quality, costs, and treatment outcomes of healthcare services. Privatization undermines these principles and leaves taxpayers in the dark. Rather than relying on privatization to fill gaps in our healthcare system, we believe that investing in public sector staff and addressing wage disparities would create a more stable and sustainable workforce. This approach is ultimately more cost-effective and accountable to the taxpayers. If Health PEI would have invested the **\$6,015,941** spent in FY 2024-25 that was provided to private care providers into enhancing the public funded Home Care Program, they could have hired approximately **109.5 Full-Time Home Support Workers** that were fully qualified and trained. That would equate to an additional **213, 525** hours of public homecare services to island residents.

The Program is currently funding **113 clients/families** with a max of **122 for FY 2024-25**. Therefore, most families will be in receipt of 56 hours per week of service with a median of **\$1,232 per week** or **\$64,064 annually** if the client is in receipt of services for 52 weeks per year. The cost to a family for a public nursing home is approximately **\$38,000 per annum** or approximately **\$790 per week**. **If the monies spent on this program were just diverted to fund nursing home placements, it would have had funding for 158 public nursing home placements for FY 2024-25.**

In summary, “**Health Care Privatization is not cost-effective, and it is prevalent in PEI**” and appears to be supported by some senior officials based on their comments, and the fact that some public services are contracted to private entities. Health PEI needs to stop privatizing health care, such as Homecare services. They need to invest and enhance the existing public service(s). This is required as there was little to no transparency and accountability about the Self-Managed Care Program. The Employer was not forthcoming with information about the program details nor were they accountable to the public purse, exceeding the budget by **\$5, 665,941**.

Respectfully submitted

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