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Office of the Deputy Premier and Minister of Health 777 Bay Street, 5th Floor Toronto ON M7A 1N3

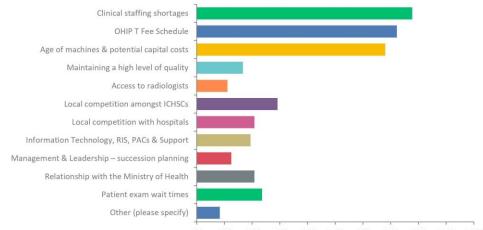
Dear Deputy Premier and Minister of Health Jones:

Re: Submission from the Independent Surgical & Diagnostic Clinics of Ontario (ISDCO) regarding November 2023 survey results of community-based surgical and diagnostic clinics with respect to staffing and financial matters

The Independent Surgical & Diagnostic Clinics of Ontario (ISDCO) [formerly the IDCA] is making this submission on behalf of Ontario's nearly 1,000 community-based surgical and diagnostic clinics that are licensed under the *Integrated Community Health Services Centres Act, 2023* (the "Act"). Community clinics licensed under the Act provide a wide range of healthcare services, including the performance of more than 11,000,000 diagnostic imaging studies per year, representing almost 60% of all imaging studies performed in Ontario.

The ISDCO conducted a provincial survey of community clinic operators during the first half of November 2023. The 72 responses received represent the perspectives of the operators of 227 community clinics. The survey questions focused on staffing and financial matters. These questions were designed to get an accurate and up-to-date picture of the ability of operators to conduct their operations and provide high quality services. Questions focused on identifying the most challenging issues facing the sector and on weighing their relative impacts.

As the chart below illustrates, every clinic operator has significant issues, with clinical staffing shortages, the OHIP technical fee schedule and the age of the medical equipment being the top three.



Addressing the Health & Human Resource Crisis

The issue most often referred to by survey respondents relates to the national shortage of medical technologists. We understand that the health and human resource (HHR) crisis that we face today will require transformative and innovative solutions. We further appreciate that the Government has introduced several initiatives to address the shortages and attempt to grow the healthcare workforce. These programs take time, however, to yield results. Moreover, we have been informed by senior researchers at the Canadian Association of Medical Radiation Technologists (CAMRT) that technologist shortages are expected to become more severe over the next two years.

Our survey indicates that 77% of respondents are <u>already</u> understaffed or facing staffing shortages. In looking at the causal factors in recruitment and retention of technical staff, 76% of respondents say that the primary factor for the current technologist shortage is that domestic schools not graduating enough qualified technologists. Other significant factors include the competition that has developed between community clinics and local hospitals for the same staff [69%]. Hospitals' 'poaching' of technical personnel has always been a disappointing factor in staffing community-based diagnostic imaging centres, something which got quite worse during the Covid-19 epidemic and continues. Finally, 43% of respondents point to the insufficiency of qualified international graduates as another significant factor.

Insufficient Compensation for Service Sustainability

Funding matters are expected to significantly impact the ability of clinics to maintain appropriate staffing levels over the medium term. Respondents indicate that, on average, the percentage of technical fee revenues already devoted to funding staff wages and benefits amounts to 58% of all revenues. Compare that figure with the aggregate cost of clinical equipment and IT infrastructure charges, which total a combined 28%. Accordingly, because of the tightening supply of technical staff, we see real hardship ahead for clinic operators, as staff compensation is already the highest expense item. This follows a worrisome trend dating back to the COVID-19 pandemic. More than 56% of respondents claim that overall operating expenses have increased by more than 20% or more over the past three years.

A significant factor affecting the sustainability of the clinic sector is the insufficiency of technical fee compensation reflected in the OHIP fee schedule. [100% of respondents indicated that the current OHIP technical fee structure is <u>not sustainable</u>]. In answer to the question of what annual increase in OHIP technical fees would be necessary for your clinic to ensure quality and maintain staffing, respondents stated that an average annual fee increase of greater than 17% was necessary.

These responses regarding the underfunding of T-fees are not surprising. OHIP technical fees have been essentially frozen for 30 years. Moreover, clinic operators are currently in the midst of having to repay to Government large sums relating to the COVID-19 OHIP loans made to healthcare providers for the period from April-June 2020. 89% of respondents to our survey indicate that these repayment obligations will have to be funded with increased debt or may even affect clinic operations.

Our respondents were also concerned about the expected effects of the recent interest arbitration award affecting technologists in Ontario hospitals represented by OPSEU. It is anticipated that this will result in an almost 10% cumulative increase, on April 1, 2024, for hospital technologist wages. In terms of anticipated responses to this increase, 53% of respondents expected to be forced to increase

compensation rates sufficiently to retain their existing staff, while 38% were only prepared to increase wage rates consistent with the organization's past practice. The remaining 18% were resigned to having fewer technologists and/or closing their clinics.

Funding to Continue to Meet Equipment Standards

Respondents expressed concerns regarding the age of the current inventory of medical equipment utilized in community clinics. It has now been more than eight years since the last medical equipment/digital infrastructure grant from the Ministry of Health (MoH). A substantial amount of equipment is approaching the end of its useful life, this according to College of Physician and Surgeons of Ontario (CPSO) guidelines. Respondents were asked to indicate what they planned on doing to adhere to the lifecycle aging restrictions on equipment imposed by CPSO. 48% of respondents anticipated having to take on debt to replace their aging equipment with a similar platform. Shockingly, a total of 23% of respondents were looking to either purchase equipment of lesser quality, or else did not anticipate being able to afford to replace their equipment at all, thus expecting to reduce or eliminate performing those procedures entirely.

Solutions to Contribute to Data Repositories

Finally, the survey addressed the participation of clinics in the OCINet data repositories. These repositories populate the provincial electronic health record with medical imaging reports and images from all provincial hospitals and from some clinics. Only 18% of respondents indicated that they were either currently contributing data to OCINet or were in the process of becoming affiliated. Of the 82% of respondents who do not contribute to OCINet, the majority [61%] stated that the high cost of integrating into the repositories and maintaining that participation was the main obstacle. The other 39% of operators who do not contribute their data point to barriers associated with their clinic operations and IT issues. Of interest is the fact that 87% of respondents who do not currently participate in the repositories indicate that they would likely do so if the MoH were to fund the start-up costs of participation. 45% of respondents stated that they would likely participate if the MoH created a tiered OHIP fee schedule, with a small increase in technical fees being added for studies that were added to the provincial repository database.

The Bottomline

The responses to this ISDCO survey suggest that clinic operators are concerned about the financial health and the sustainability of the sector. The HHR crisis is expected to have a material impact on the ability of the sector to continue to perform its 'share' of provincial healthcare services. Clinic operators expect to have to match significant wage increases to be given to hospital-based staff [who already enjoy the benefits of participation in the HOOPP pension plan], or else risk losing staff. OHIP underfunded technical fee compensation concerns also remain an issue. These compensation issues are now exacerbated by COVID-19 loan repayment obligations and the need to replace aging fleets of medical equipment. These survey results suggest that funding initiatives from Government may be necessary to ensure the sustainability of the clinic sector and to better balance the "playing field" with hospital-based providers.

We thank you for the opportunity of making this submission to you. Please feel free to contact Gerald Hartman, President, or Stephanie Bolton, our Executive Director, to discuss the foregoing.

Yours very truly,

The Board of Directors of the Independent Surgical & Diagnostic Clinics of Ontario by its representative:

Gerald Hartman, President

c.c. - Laura Pinkney, Director of the Health Insurance Branch, Ontario Ministry of Health