



January 29, 2026

The Honourable Peter Bethlenfalvy  
Minister of Finance  
Communications Services Branch  
Frost Building North, 3rd Floor  
95 Grosvenor Street  
Toronto, Ontario  
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RE: Government of Ontario 2026 Budget Consultations

For four decades, community surgical and diagnostic centres—previously referred to as Independent Health Facilities—have served as an integral component of Ontario’s publicly funded healthcare landscape. Licensed under the *Integrated Community Health Services Centres Act* (ICHSCA) <sup>1</sup>, our facilities offer a variety of OHIP-insured services. Today, more than 450 licensees operate nearly 1000 community surgical and diagnostic clinics across the province, primarily specializing in diagnostic imaging.

The Independent Surgical and Diagnostics Clinics of Ontario is a member-based organization of community health service centre owners. Formerly the Independent Diagnostic Clinics of Ontario, which began in 1991, ISDCO has exchanged insights with government representatives and other stakeholders regarding the vital contributions of Ontario’s community surgical and diagnostic centres to Ontario’s healthcare system and person-centred care. We are fully committed to working collaboratively to support integration and coordination and to broaden the scope of imaging modalities to address prioritized gaps that are impacting patient care. Our shared goal is to enhance equitable and timely access to quality medical imaging services throughout our province.

According to Ontario Ministry of Health data, our sector delivers approximately 60% of diagnostic imaging scans performed annually and we remain dedicated to reducing waitlists for both diagnostic imaging and surgical services across Ontario. As representatives of this sector, we believe we can provide valuable, practical insights to cost-effective operations that support proactive system-level planning through ongoing engagement and open communication with our health system partners.

## **SUGGESTIONS for CONSIDERATION for the 2026 ONTARIO BUDGET**

### **1. Establish an Inclusive Working Group to Consider Funding for Facility Fees Changes**

Within the funding window provided by the recent Kaplan Arbitration award, specific funding was dedicated for those Facility fees utilized in community-based clinics. The proposed Working Group should include clinic owners, hospital representatives, technologists and radiologists working within the community. This group would be tasked with reviewing all Facility fees as published. This review would include a recommendation on over-all annual inflationary changes from 2026 to 2028, recommendations on specific Facility fees which have idiosyncratic challenges, and suggestions on how to include Integrated Community Health Services providers in an ongoing dialogue with the Province of Ontario, the Ministry of Health, and Ontario Health.

### **2. Fund ICHSCs and Include ICHSCs in the Planning for and Participation in the Province-wide DI Repository**

Recruit knowledgeable volunteers from IDSCO and the DI IT-provider community to work with OCINet on the process for having ICHSCs provide images and reports to the province-wide repository. This would include determining a method for funding the current and ongoing costs of clinics already providing this, now unfunded activity.

### **3. Community-Based Aging Diagnostic Equipment Renewal Process and Funding**

ICHSCs presently receive no capital funding, and this reality leads to very old and outdated equipment. Through Ontario Health and using Medbuy/Mohawk and other supply chain service providers strike a Working Group to consider how ICHSCs might use system resources and have an ongoing process for equipment renewal. As a practical matter this should immediately include provincial funding for the replacement of aging mammography machines within ICHSCs, so that the current OBSP wait-time crisis might be improved upon.

### **4. Direct Funding for Technologist Clinical Education Placement**

ICHSCs clinics work with colleges throughout the province to provide clinical placements for MRT and Sonography students. Clinical placements require experienced technologists who volunteer to mentor the student. This mentorship, which is essential for the successful development of qualified technologist, means a clinic's most productive clinical staff must reduce their productivity and throughput to spend the correct amount of time with the patient and student. For ICHSCs this means less tests, and less tests mean less revenue. The province should, working with ICHSCs and hospitals, create a specific fund for the clinical site (not college) to provide a financial incentive to take on clinical placements for technologists. This form of financial incentive would encourage colleges to accept more students, comfortable in the knowledge that practical clinical placements will be available.

## BACKGROUND

In 2015 the Government of Ontario issued its Patients First: A Roadmap to Strengthen Home and Community Care <sup>2</sup> - a new plan to improve and expand home and community care. Chapter 10 of this plan is titled Plan for the Future; *Ontario is developing a capacity plan to ensure that our health system has the **capacity and resources required to meet the current and future health care needs of an aging population.** Coordinated, province-wide planning will help ensure **value-for-money** and that Ontarians can continue to get the services they need when they need them.*

Our clinics currently provide an enormous amount of healthcare services (60 per cent of all DI scans performed annually) and represent a significant healthcare capacity within Ontario. We believe that with simple changes to the existing approach to funding our services & equipment, and a changed mandate within the whole health care system to enable real dialogue between our clinics and hospitals and other healthcare providers, Ontario can improve the capacity and resources required to meet the current and future health care needs and increase the value for money of its overall healthcare system investment.

In 2023, Ontario passed the Integrated Community Health Services Centres Act <sup>1</sup>. This legislation renewed and improved the basis upon which independent community based, privately operated healthcare diagnostic and surgical clinics exist and operate. In the preamble of this legislation, the Government of Ontario stipulated that:

The people of Ontario and their Government:

1. Share a vision for connected and convenient care, where the health and wellbeing of all OHIP-insured Ontarians is enabled through health services that are available at no cost to patients.
2. Commit to supporting access to safe, effective, equitable, efficient and person-centred care.
3. Recognize the value of a healthcare system that collaboratively integrates publicly funded, community-based health services with local and regional health system partners.
4. Intend to expand access to publicly funded community-based health services to improve patient wait times, patient experience and access to care in a way that considers the needs of diverse, vulnerable, priority and underserved populations, taking into account linguistic needs.
5. Acknowledge the importance of advancing initiatives to optimize health human resources today and in the future.

In support of these plans, the Ministry of Health outlined new expectations for Ontario Health in 2024-25 which focuses on:

1. Right care in the right place.
2. Faster access to care.
3. Hiring more healthcare workers.

Specifically, Ontario Health will expand its role to oversee funding, licensing and quality assurance for existing and new ICHSCs and will work with the Ministry of Health to expand the types and volume of surgeries/procedures (e.g. orthopedics, GI endoscopies) at these centres to support new applications. Most importantly, Ontario Health has been mandated to integrate ICHSCs into the broader health system by including them in regional planning, ensuring wait-time reporting, supporting hospital partnerships, and requiring staffing sustainability plans to protect hospital stability.

The 2025 Ontario Health Business Plan<sup>3</sup> establishes that system changes will need to ensure that they fit within the Quintuple Aim: Enhancing patient experience, Improving population health outcomes, Improving better value, Enhancing frontline and provider experience, and Advancing health equity. Ontario's nearly 1000 licensed clinics see almost one million patients each month. ISDCO believes that the suggestions made in this paper are consistent with and will advance the Quintuple Aim and make the whole healthcare system better.

This submission and suggestions will review these points of concern as they relate to the current reality of how our clinics operate now and how they could operate in the future.

## CURRENT REALITY

### Current Facility Fee Amount and Structure Must Change

Our clinics are substantially funded based on receiving Facility or T (technical) fees for actual services provided. These services require clinic space, equipment and staff to be performed. All of these costs are paid for by the actual T-fees being received. This means that there must be sufficient tests or procedures done and the t-fee for each procedure is sufficient to cover the actual costs. While the volume of tests can be accommodated with enough staff (very high demand), the current fee schedule is simply too low and has no real relativity to the cost. As an example, Diagnostic Code XO90 Chest X-ray Single View provides \$16.95 to a clinic for each simple chest x-ray done. Clinics can do 3 to 5 such x-rays an hour. At 4 x-rays the clinic would receive \$67.80. The direct healthcare staff costs would be around \$38, the indirect staff costs per hour of clinic operation \$25 per hour (administration, quality, management etc.), the cost of rent, IT, supplies etc. on an hourly basis would be \$15 per hour – netting a total cost of \$78, which is a loss of \$10.20 per hour.

Our clinics can only financially operate by sharing costs with physicians associated with performing the diagnostic or surgical part of the services clinics provide. Unlike hospitals, our clinics must also pay for all equipment and infrastructure costs out of this base of OHIP fees.

### Looming Crisis for Clinical Equipment

In 2023, the Canadian Association of Radiologists publish their federal pre-budget submission: Canadians Need Better Access to Medical Imaging: Addressing the Diagnostic Backlog.<sup>4</sup> This report provided a very dire picture for medical imaging equipment across Canada. This report included all provinces and hospitals as well as community-based clinics. Three years later, the picture has only grown worse.

For our clinics our circumstances are far worse, while other provinces have much better fee structures and also provide direct equipment funding to some community-based clinics. Ontario has/does neither. Facility fees are insufficient to cover any capital costs, and the province has provided NO capital funding to community-based clinics since 2015, when the Ministry provided a small fund for equipment and the migration to digital technologies. How do these shortfalls manifest into a crisis? Last year, the Province of Ontario changed the parameters for eligibility for individuals to be able to participate in breast screening self-screening -- the Ontario Breast Screening Program. This increased the possible overall volume of

mammograms by 14%. OBSP clinics were not keeping up with the, then current volumes of screens. This increase only exacerbates the wait time challenge.

In May 2013, the province of Ontario enabled community-based clinics to participate in a province-wide mammography machine purchase event. This program funded the upgrading of digital computed radiography (CR) systems to direct radiography (DR) mammography units. This was needed to start the OBSP program beyond just hospitals. Now these machines are more than 12 years old. Clinics will need new machines (\$250,000+) but have no way of paying for them. When these machines start to permanently breakdown there will be a real crisis.

#### Lack of Clinical Information Integration & Necessity for this Integration

There are more than fifty (50) different Radiological Information Systems RIS and more than fifteen (15) Picture Archiving & Communication systems PACs being used across community-based diagnostic imaging clinics in Ontario. They exist with no direct investment by Ontario. There is no ongoing funding for their operation. These systems need to be able to “talk” with other similar systems across other clinics and within hospitals. This is currently accomplished through complicated “manual” operation, transfers and the use of 3<sup>rd</sup> party service providers. The Government of Ontario has mandated that there be a single provincial repository for diagnostic images and reports: OCINet (Ontario Clinical Imaging Network).

All hospitals are providing their images and reports to repositories and received specific funding to make the infrastructures changes to do so. Only eighteen (18) percent of community-based clinics are currently participating in image repositories, at their own expense. Ontario has recently published regulations which will ultimately compel ALL clinics to participate. Funding comparable with that received by hospitals in Ontario is needed. Information integration would also greatly improve wait times for imaging and procedure appointments.

#### Health Care Human Resource Crisis

In November of 2025, the Canadian Association of Medical Radiation Technologists published its Medical Radiation Technologists Workforce Crisis Report 4. This report clearly identifies the current and future healthcare HR crisis for clinical staff. Without considering increasing demand for staff and increasing lack of retention of existing staff, Ontario would need to find more than 1,500 new MRTS to staff to a zero percent vacancy. These numbers do not include Sonographers. But with increased number of machines, increased imaging applications and an aging population, demand is increasing requiring even more technologists. Community-based clinics provide more than half of all diagnostic imaging done in Ontario.

Furthermore, many clinics are active participants in technologist education and their work placements. There is no recognition of this.

#### ICHSCs are Important to Ontario’s Healthcare System but have No Place at the Table

The Ministry of Health and Ontario Health have many places for provider dialogue, and every day there are meetings and briefings concerning a variety of matters. Even when these matters relate directly to what healthcare services ICHSCs provide or to how such tests and procedures are paid for – there is no involvement from the 450 + ICHSCs. If improving connected & convenient care, efficient and patient-centred care, collaborative integration, expanding access, improving patient wait times and optimizing health human resources -- are all provincial goals – why should such a significant part of the Ontario

healthcare system not be participating in this dialogue, at these meetings and being part of these briefings?

## CONCLUSION

On behalf of all of our members, the Independent Surgical & Diagnostic Clinics of Ontario wishes to thank the Ministry of Finance and the Government of Ontario for this opportunity to provide a submission for consideration in development of the 2026 Ontario Budget.

We believe our four (4) simple suggestions:

- Establishing an Inclusive Working Group to Consider and Funding for Facility Fees Changes;
- Funding ICHSCs and including ICHSCs in the Planning for and Participation in the province-wide DI Repository;
- Creating and Funding a Community-based Aging Diagnostic Equipment Renewal Process; and,
- Direct Funding for Technologist Clinical Education Placement

are responsible and are small changes which will greatly improve the current and future healthcare system in Ontario.

We also believe that these changes are consistent with and will contribute to the Ministry of Health's express goals of: connected & convenient care, efficient and patient-centred care, collaborative integration, expanding access, improving patient wait times and optimizing health human resources.

As well, ICHSCs believe that our clinics, through these simple changes, can continue to contribute to Ontario Health's Quintuple Aim: Enhancing patient experience, Improving population health outcomes, Improving better value, Enhancing frontline and provider experience, and Advancing health equity.

Representatives of the Independent Surgical and Diagnostic Clinics of Ontario would be happy to review this submission in more detail and remain at your convenience to do so.

Respectively,

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cc. The Honourable Douglas Ford, Premier, Province of Ontario

The Honourable Sylvia Jones, Minister of Health

Matthew Anderson, President & CEO, Ontario Health

## References

1. [Integrated Community Health Services Centres Act, 2023, S.O. 2023, c. 4, Sched. 1 | ontario.ca](#)
2. [Patients First: A Roadmap to Strengthen Home and Community Care | Ontario Newsroom](#)
3. [Annual Business Plan 2024/25](#)
4. [CAR-PreBudgetSubmission-2023-FINAL-2.pdf](#)
5. [Health Workforce Crisis Report – Canadian Association of Medical Radiation Technologists  
Microsoft PowerPoint - MRT Workforce Crisis](#)