

Premier McGuinty Secures Greater Fairness from Feds for Ontario's Health Care System

Ontario receives \$878 million more in Federal health care funding

January 29, 2009

Toronto: Ongoing efforts by Premier McGuinty and Finance Minister Duncan to secure fair per resident funding for Ontario's health care system have resulted in millions of dollars in additional federal funding for Ontarians' health care system.

Federal Budget materials show that Ontario will receive \$734 per resident under the Canada Health Transfer (CHT) in 2009/10 compared to \$674 per resident in 2008/09 or \$60 more per resident. This per capita funding increase puts Ontario on par with other provinces. As a result of greater fairness, increased population and other adjustments, Ontario's health care system will receive \$878M in 2009/10.

"We wish to congratulate Premier McGuinty and Minister Duncan for speaking up for Ontarians and ensuring that Ontario receives a fairer share of federal health care funding", said Anne McGuire, Chair of the *Growing Communities Healthcare Alliance*. "We should also congratulate the Federal government for acting more quickly on its commitment to address the lack of fairness for Ontario's health care system. Now, 13 million Ontarians can expect better, more timely access to hospital and health care. The Alliance hopes this will mean better care close to home."

For several years Ontario has been making the case that it does not receive a fair share of federal health funding based on the size of its population compared to other provinces. Premier McGuinty has been asking that the federal government treat all Canadians fairly by immediately funding all provinces on an equal per person basis for health care services.

While the Federal Government acknowledged the need to fix the lack of fairness in the CHT, these changes were not expected for several more years. Tuesday's budget demonstrates that the Federal government has acted more quickly to address the lack of fair funding for Ontario's health care system. By accelerating the increase in per capita health care funding for Ontario, the federal government is also acknowledging the growing demands being placed on Ontario's health care system as well as the importance of health care to the province as it grapples with the economic downturn.

"Having fought for Ontario and more quickly secured greater fairness from the Federal government for Ontarians' health care system, we hope that the Premier is now in a position to more quickly address the lack of fair funding *in* Ontario when it comes to how provincial hospital and health care funding is distributed across the province," said McGuire.

During the last provincial election, the Government committed to an additional \$100 million in growth funding for hospitals in Ontario's fastest growing communities. In 2008/09, \$30 million of the hospital growth funding was allocated and an additional \$10 million is expected in 2009/10. However even with the additional \$30 million in hospital growth funding in 2008/09, a report recently prepared by PricewaterhouseCoopers (PwC) found hospital services in high growth communities in the GTA/905 regions, Kitchener and the Waterloo Region, Simcoe County, Wellington County and Dufferin County receive \$255 less per resident in provincial funding compared to the rest of Ontario. Further, that community-based & long-term care services receive \$84 less per resident in provincial funding. For four million Ontarians in these regions, this translates into a \$1.4 billion annual operating funding gap

for local hospital care and a \$526 million annual operating funding gap for local community-based health care & long-term care services. The gaps in provincial funding for both hospitals and community-based health care & long-term care services have widened from the previous year and are expected to widen even further in 2009/10 unless the Ontario government provides adequate growth funding for hospitals and health care services in Ontario's high growth communities to keep pace with rapid population growth.

The *Growing Communities Healthcare Alliance* works on behalf of four million Ontarians in high growth communities to improve their local access to hospital and health care services. High growth communities account for more than 70 per cent of Ontario's annual population growth, growing by more than 100,000 new residents each year. The Alliance is asking the Ontario government to: provide adequate on-going hospital growth funding that is targeted to hospitals in high growth communities to reduce provincial funding gaps; quickly implement the "Health Based Allocation Model" to distribute provincial funds based on the size and needs of Ontario's communities; and develop and implement a Health Care Growth Plan for Ontario's High Growth Communities.

- 30 -

For information contact:

Tariq Asmi, Executive Director

Growing Communities Healthcare Alliance

Cell: (416) 948-2033 Office: (416) 205-1331

tasmi@gcha.ca www.growingcommunities.ca