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| Alberta | 18e | 4e | Remarques préliminaires à l'étude des crédits | 8 mai 1978 | M. Gordon T. Miniely | Ministre des Hôpitaux et de l'Assurance maladie | PC |

**Mr. Miniely:** Mr. Chairman, I'd like to begin the examination of the Hospitals and Medical Care estimates with an overview of the portfolio. In particular, I would like to commence by announcing new or expanded programs for the hospital and nursing home system in Alberta. Substantial increased funding will be available to the hospital and nursing home system in Alberta for equipment, ordinary maintenance, and special programs. These will include: increased operating support in the amount of $5,710,758 for 550 new auxiliary hospital beds and 229 new nursing home beds that will be in operation this year; increased funds for expansion of the perinatal program for mothers with high-risk pregnancies and very premature infants, with particular emphasis on the expansion of this program in Calgary.

A home care program for citizens suffering from hemophilia will be funded. This will allow patients to administer cryoprecipitate in their homes, rather than attending an emergency or outpatient department in a hospital.

More money will be injected into the system to upgrade and replace needed equipment. A provision will be made to increase funding for such items as laboratory computers, radiological equipment, incinerators, stand-by boilers, and so forth.

Mr. Chairman, of course the legislature is aware that comprehensive cardiac care programs and cancer programs will be funded through the Alberta heritage savings trust fund.

In keeping with the Alberta government's policy, the total operating funding to active care hospitals in Alberta is being increased by $34,289,000, or 8.6 per cent above the 1977-78 funding. For longer term chronic care, the increase is $7,029,064, or 13.6 per cent. Therefore the announcements made at the beginning of my overview on Hospital and Medical Care estimates today are consistent with the objective of maintaining sound management of expenditure increase for hospitals in Alberta, while providing additional support for important special programs. The continued objective is maintaining Alberta's position equal to the highest quality facilities and services in Canada.

Mr. Chairman, I'd now like to turn briefly to a general report to members of the Assembly, an overview of the Hospitals and Medical Care portfolio. I'd like to begin by filing with the legislature a copy of the new departmental organizational chart. I would point out to hon. members that whereas it is the organizational chart for the new Department of Hospitals and Medical Care, it is intended to be flexible to accommodate future circumstances as well.

In addition, the management committee of the new Department of Hospitals and Medical Care has now been structured. Of course, it will have a rotating chairmanship by the two deputies, Mr. Chatfield and Dr. Macleod. It will form the basic committee of the new department to ensure integration and coordination of policy development in the hospital, medical care, and health care insurance sides of the department.

Mr. Chairman, hon. members should be aware that there are areas in strengthening the new department, particularly in the areas of hospital and nursing home construction control, which require the recruitment of very key staff members with particular backgrounds in architecture and engineering. In particular, at May 8, 1978, the department is in the process of recruiting and finalizing some very key positions. To name three of them: an assistant deputy minister, a director of institutional operations, and a director of design and construction.

Mr. Chairman, in the area of ongoing policy review and development, now that the new department is organized and successfully on its way, of course the need for policy development for the longer term is essential. In that area, I would like to file with members of the Assembly copies of the membership and terms of reference of the Hospitals and Medical Care advisory committee. The MIAs have been chosen for this committee. Other members have not as yet been chosen for that particular committee. We have just recently finalized the general composition of the Hospitals and Medical Care policy advisory committee and have appointed, of course, the hon. Member for Sedgewick-Coronation as chairman, the hon. Member for Lethbridge West as vice-chairman, and Dr. Winston Backus as an MIA member of that committee. I'd like to file that with members of the Assembly along with the terms of reference.

Further policy areas: under the chairmanship of the hon. Member for Grande Prairie, Dr. Backus, we are looking at rural health care facilities policy development. I would like to file for hon. members copies of the terms of reference and composition of that committee. As well, I'd like to file terms of reference and composition of the committee on the economics of health care, chaired by the hon. Member for Lethbridge West, Mr. Gogo, examining some very important questions in that area.

The nursing home report which was done by the hon. Member for Sedgewick-Coronation and the chairman of the Hospitals and Medical Care policy advisory committee will be tabled in the next few days in the Legislature in the appropriate time for tabling and filing reports.

At this time, though, Mr. Chairman, I would like to file what I think is a key document for all hon. members of the Assembly. It is the document that really spins off from the entire reason for reorganization, for the creation of the Department of Hospitals and Medical Care. It is the key document which results from the holding pattern declared in March 1977. It is our intention to distribute this widely to the hospital and health care community for purposes of discussion. The document is entitled Planning and Control of Capital Projects, a discussion paper hopefully leading to finalization of policy in that area by late 1978.

Mr. Chairman, I'd like to turn to budgetary overview and say, as I've said in question period in the Legislature, that the objective of the budgetary policy for the hospital system in Alberta in 1978-79 is that hospitals should be able to maintain their existing level and quality of service. Having said that, when the total budget is granted to an individual institution, it's possible that through errors, mathematical or otherwise, an individual institution may be able to convince the department that they are not able to do that. That is why we have an appeal process.

Hospitals throughout Alberta can appeal until May 15. Those appeals will all be heard, and decisions will be made around the end of May to the beginning of June and only at that time, because we also have further funds to flow in equipment formula, in special programs, in ad hoc equipment. Only at that time will the hospitals in Alberta know what their final, total budget is.

In the meantime, the deputy minister has said in direct contact with hospitals, and I have said publicly, that while it would be appropriate to make administrative efficiencies, not to hire additional staff, we would not consider it appropriate in Alberta for hospitals in fact to be cutting back service until they know what their final budget is. That won't be known until the time frame I've indicated.

Mr. Chairman, I'd now like to provide members of the Assembly with the updated list. To this point I think 36 hospitals in Alberta have appealed their budgets. All those appeals will be heard, decisions made and communicated within the time frame I indicated.

Mr. Chairman, I would like to report the matter of bed closures to members of the Assembly, because it's very important that we put this in the context of our total capacity in Alberta. First, I think the actual figures at January 31, 1978, indicate that in Calgary the number of beds closed for what the hospitals have said are budgetary reasons is 94; in Edmonton, 45: for a total of 139. Outside of Edmonton and Calgary, no beds in Alberta are closed for expressed budgetary reasons. That represents 26.7 per cent of the actual beds not operational in the hospital system in Alberta at that particular time. Mr. Chairman, 74 per cent of beds that are not available or not operational are for other reasons: conversion to other uses, new beds that are currently not assigned for purposes within hospitals, beds not in use, closed for renovations and construction, closed beds in a federal hospital, the Charles Camsell. The important point I want to make is that while we have some beds closed for budgetary reasons, they are a small percentage of our total capacity; many more are closed for other reasons.

Nevertheless, Mr. Chairman, I want to say to members of the Assembly that the key factor we have to assess in our province, with the buoyant economy and the dynamic population growth, is to watch very carefully to assess whether, although we're starting with more beds than we need for our population, in fact in Calgary and Edmonton we might have to open up those beds on a phased basis, as I've said during question period in the Assembly.

Mr. Chairman, I'd now like to turn to the provincial bed comparisons. Our ratio in Alberta is 6.21 beds per thousand population. That's composed of Calgary, with 4.71 acute care beds - and this is just acute care - Edmonton, 5.07 acute care per thousand population. The situation is reversed if we include total beds. In fact Calgary has somewhat more flexibility in total institutional care beds than the city of Edmonton, but it's a minor amount. In beds per thousand population, this is 6.2 beds in maintained, excellent quality and capacity in our sys-, tem in Alberta. The key will be to monitor very carefully our population growth. Mr. Chairman, in the area of the capital budget, I think the throne speech was very clear on the fact. Alberta compared with 4 beds in Ontario, for instance. They are reducing to 3.5 beds per thousand: for southern Ontario. In addition, hospital planners: across the country state that the optimum bed ratio" should be 4.1 beds per thousand in the cities, and 5.1 beds per thousand for the entire province. Of course, Alberta continues to be substantially ahead of those desirable planning figures.

Again I want to emphasize that the key thing we have to watch in Alberta is the population growth as a result of our healthy economy. In fact, if the population growth is more than we've anticipated, more even than the municipalities and cities are projecting over the next number of months, we might have to open up beds that are available in our system and accelerate longer term plans for additional facilities.

Mr. Chairman, it's also important that I bring to the attention of hon. members of the Assembly Alberta's funding policy for hospitals this year, compared to other provinces in Canada. Of the provinces that have publicly stated their operating budget increases to the hospital systems in the particular province, Saskatchewan and Alberta have the highest and most generous funding of hospitals. Saskatchewan has now indicated a 9.5 to 10 per cent increase. That compares to Alberta's 8.6 per cent; Manitoba, 2.9 per cent, nearly a clear 6 per cent less than Alberta; Ontario, 4.5 per cent; New Brunswick, 4.5 per cent; Newfoundland, 5 to 6 per cent. That all compares to Alberta's increase of 8.6 per cent, Alberta and Saskatchewan being the two provinces highest in Canada.

So I have to conclude that we have, and have maintained, excellent quality and capacity in our system in Alberta. The key will be to monitor very carefully our population growth.

Mr. Chairman, in the area of the capital budget, I think the throne speech was very clear on the fact that we will be having the highest capital budget in our entire history over the next two to three years, I think in excess of $.5 billion in projects expected to be under construction during 1978-79. Further, in the budget we indicated that $91 million in projects are expected to commence this year, in 1978-79 construction, which will be 112 per cent over the 1977-78 forecast construction expenditures. In '78-79 an additional $68.6 million will be funded through the Alberta heritage savings trust fund.

We will be building facilities in rural Alberta, replacement and renovation of 150 beds per annum over the next three years. This compares with 65, more than double the number of beds per annum during the five-year period ending in 1969. Today I tabled, by request, Motion for a Return No. [131]. That return indicates we have facilities totalling $91,194,000 currently under construction in rural Alberta. In '76-77 we expect to expend $16,973,000 on those projects and in 1977-78, $13,535,000. Those are all rural projects that are under construction in 1976-77 and 1977-78.

Mr. Chairman, obviously on March 31 a holding pattern was declared. At that time no further projects came into construction, but these still remain the projects under construction and upon which we are expending funds during those particular years.

Since January 1978, the following projects have been approved: Hinton General Hospital, Lynnwood Extended Care Centre, Rocky Mountain House General Hospital, Wabasca-Desmarais Health Centre, and Edmonton General Hospital. We've approved going to tender: Manning Municipal Hospital; Mary Immaculate Hospital, Mundare; and St. Joseph's Hospital, Edson - all since January 1978.

This compares with other provinces that are relatively at a standstill in capital construction. The only province with any significant capital construction at all is Ontario. They have three or four projects, I think, for their population, which is three and four times ours, a $40 million capital budget. That's a pretty dramatic comparison for us to keep in mind.

Mr. Chairman, having dealt with the general operating and capital budget overview, I'd like briefly to go through the highlights of each vote in the briefing book. Hon. members will have their estimates in front of them and might want to refer to each one as I highlight it, beginning with Vote 1.

Vote 1, Departmental Support Services: the vote structure reflects the merging of the Hospital Services and Health Care Insurance commissions under a Department of Hospitals and Medical Care, and the organization of the department into a hospitals division and a health care insurance division with central administrative support. The vote provides for 20 new positions for the hospital services section of the department, mostly at the professional level, to strengthen planning and control of capital projects and to enhance supervision of standards of health care.

Vote 2, Health Care Insurance, provides for an 8.5 per cent increase in health insurance premium rates, effective July 1, 1978; a major increase in subsidy levels to assist lower income residents of Alberta, effective July 1, 1978; and a 6.47 per cent fee schedule increase to practitioners, effective January 1, 1978. Mr. Chairman, the total 21.4 per cent increase in the provincial contribution to finance the health care insurance plan reflects our strong commitment to provide residents of Alberta with necessary health benefits at reasonable cost.

Vote 3, Financial Assistance for Active Care hospitals in Alberta: the 1978-79 increase over the '77-78 forecast is $34,289,000 or 8.6 per cent. The funds committed to hospitals for active care support are as follows: the total budgeted is $391,150,000; committed to hospitals for operations, 6.5 per cent of their 1977-78 global support, a total of $384,949,050; committed to hospitals for new program expansion, 1 per cent of their 1977-78 global support, $3,601,950; for a total of $388,551,000. The reserve left for emergencies and appeals is $2,599,000, for a total of $391,150,000.

Mr. Chairman, it's important to emphasize funds flowed are based on the 1977-78 support levels and are for normal operating expenses or global support. They do not include such items as bad debts, major equipment, ad hoc equipment, extraordinary maintenance, specific programs, et cetera, which are funded from program support outside that amount.

The vote provides for increased funding for the full-year operation of newly constructed expansion to hospitals incorporating additional area services and air conditioning at Fairview, Islay, Provost, Peace River, High Prairie, and Bow Island. It provides increased funding for the new Brooks hospital which will be opened during the fiscal year. Perinatal, renal, cardiovascular, and other programs will be funded on a program basis rather than being a part of the general global support.

Provision is made for a substantial increase in the equipment formula provided hospitals, which restores purchasing power eroded by ongoing inflation. Similarly, a provision is made to increase substantially ad hoc funds for such items as lab computers, radiological equipment, and others that I mentioned earlier.

Provision is made for increased support to interns in residence programs, including geographic appointments. The increase is $1,609,000, 14.3 per cent over the 1977-78 forecast.

In Vote 4, Mr. Chairman, the increase over the '77-78 estimates is $7,029,064, being 13.6 per cent. Bad debts cover a 15-month period, resulting from a year-end change. The major equipment increase contains $116,000 for incinerators at St. Joseph's and Allen Gray hospitals. There's a reserve for Dickensfield, which is expected to open, of approximately $1.2 million, and a general reserve of $172,000 in this vote.

There is also provision for operation of the 550 new auxiliary hospital beds I mentioned in my earlier announcement. Auxiliary beds will have increased, Mr. Chairman, by 19.7 per cent, from 2,790 auxiliary beds to 3,340 by March 31, 1979.

In Vote 5, Financial Assistance for Supervised Personal Care, the increase in funding to nursing homes shown by the estimates is [0.8] per cent. However, included in the 1977-78 forecast, which is the basis of comparison, are non-recurring items - prior year deficits, transfer of responsibility from social services, and emergency grants and appeals - which obscure the actual increase provided, which is 7.5 per cent.

By March 31, 1979, 229 new nursing home beds will be in operation and require funding: Calgary Bethany, 75 beds for the full year; Calgary Fanning Centre, 25 beds for the full year; Edmonton Dickens field, 100 beds for six months; Leduc Parkland, 29 beds for the full year. No funds are provided in '78-79 for the operation of several private nursing homes which may commence and complete construction within the year. Those are Salem Manor in Leduc and St. Michael's in Edmonton.

Mr. Chairman, I should point out to hon. members that the current co-insurance rate to patients is $5 per diem. The estimates have been presented to the House on the basis of a 50 per cent increase in the provincial rate, but the cabinet has not made a final decision or passed the order in council for a further $1 increase in the rate charged to patients by co-insurance.

Mr. Chairman, Vote 6, new construction, is a separate and new vote in the Department of Hospitals and Medical Care and was established for construction, planning, and related costs; for the clarity of presentation; and to facilitate increased contains of this type of expenditure. Facilities recently completed or continuing under construction add $4,054,000 in 1978 79, being 17.2 per cent, to the debt charges transferred from votes 3, 4, and 5. Provision of $900,000 is included in this vote for hospital planning assistance, planning studies, and establishing continuous controls over and review of facilities under construction. Included also in new Vote 6 is $4,019,000, being a net 0.2 per cent increase over the '77-78 forecast for furnishings and equipment of facilities under construction.

Mr. Chairman, although I've taken some 25 minutes of House time, at this time when Hospitals and Medical Care is certainly of detailed and topical interest to the citizens of Alberta, I hope that those remarks, for a start to our examination of the estimates, provide a pretty thorough and detailed overview of what our policy and objectives are in the portfolio.