

# Auditor General of Ontario

## 2018 Health Care Findings

SANTIS

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Earlier today Ontario's Auditor General, Bonnie Lysyk, released the Office's *2018 Annual Report*. Volume 1 of the report includes 15 value-for-money audits related to the assistive devices program, Health Quality Ontario, interprovincial and international health services, MRI and CT scanning services, various programs and organizations.

This year's 1,000-page report also contains follow-up reports from value-for-money audits published in the *2016 Annual Report*, special reports and reports issued by the Standing Committee on Public Accounts. Overall, Government ministries and agencies made progress toward implementing 66% of the actions contained in those recommendations.

The following pages distill the Auditor General's health care recommendations for 2018 and an update on previous Ministry of Health and Long-Term Care (MOHLTC) recommendations.

### Reports on 2018 Value-for-Money Audits

#### Assistive Devices Program

This program provides financial assistance for Ontario residents with long-term physical disabilities to purchase basic assistive devices and funds approximately 8,000 assistive devices within 19 device categories, such as mobility devices, hearing aids, home oxygen, respiratory devices, insulin pumps and supplies, prostheses, orthotics and visual and communication aids. The last audit of the program took place in 2009. The auditor found that *“Overall, the Program under the Ministry does not have fully effective systems and procedures in place to meet the needs of Ontarians with long-term physical disabilities in an efficient and cost-effective manner, and in compliance with applicable Program policies.”*

#### Specific findings include:

- Ministry consistently and significantly overpaid vendors for ineligible claims, yet it reduced its oversight staff.
- Limited staff training to detect possible misconduct or fraud.
- Home oxygen clients may be referred to specific vendors due to contractual relationship between vendor and hospitals. There are 13 joint ventures in the home oxygen device category with each including a hospital and a home oxygen vendor, who share in the profits.
- No monitoring of reasonableness of mark-ups and fees charged by vendors.
- Ministry paying for resale of used devices for which it already paid.

- Clients wait for devices while the Ministry takes more than eight weeks to process almost half of all claims.
- Ministry still only accepts hardcopy claims from vendors, resulting in unnecessary delays for clients and potential errors.

### **Health Quality Ontario (HQO)**

HQO's stated mandate is "to continuously improve the quality of health care in Ontario." In 2017/18, it employed the equivalent of 291 full-time staff and spent \$44.2 million on its operations, contributing to \$240 million in spending over the past 7 years.

The audit determined that HQO has had difficulty assessing and demonstrating its impact on the quality of health care in Ontario. This is in large part because its recommendations and advice are not required to be implemented by the Ministry or Local Health Integration Networks (LHINs).

#### Specific findings include:

- It is unclear whether HQO's priority performance indicators have served as a catalyst for improvement in the health care sector.
- Most physicians are not volunteering to receive individualized reports aimed at improving their practice performance.
- Accountability for data quality and reliability is not clearly outlined between HQO and data providers.
- HQO could save time and money by collaborating with the federal Canadian Agency for Drugs and Technology Health (CADTH) in assessing medical devices and health services to be funded.
- Cost savings expected from the consolidation of five entities did not materialize. Further, since its mandate was expanded, the agency's costs have increased almost 80%, and since 2013/14, its staff size increased by almost 90%.

### **Interprovincial and International Health Services**

The Ministry of Health and Long-Term Care operates out-of-country and out-of-province OHIP programs that provide coverage to Ontarians at either pre-established or pre-negotiated rates, in compliance with the portability principle of the *Canada Health Act*. In 2017/18, the Ministry covered 737,000 claims paying a total of \$204 million.

Ontario is a "provider province", providing coverage for others visiting the province. Ontario hospitals are providing some services that cost more than what they can bill back to the other provinces and territories, forcing Ontario to subsidize costs for these patients. These expenses are not currently tracked by all hospitals.

#### Specific findings include:

- Out-of-Country Travelers Program: Ontario patients who may require emergency health services while in other countries are covered by the Ministry at pre-established rates, which represent a small percentage of the costs.

- Referral of Ontarians for Out-of-Country Medical Services: The Ministry can do more in planning for health services within Ontario to meet the demand of Ontario patients who may otherwise require funding approval to obtain medical services in other countries.
- Out-of-Province Program: Ontario patients who need to receive health services while in other Canadian provinces and territories may pay higher fees for these services.
- International Patients' Use of the Ontario Hospital System: The Ministry does not monitor foreign patients' financial impact on Ontario and their wait-time impact on Ontario patients. In 2014, the Ministry directed hospitals to serve international patients only under specific conditions.

### **MRI and CT Scanning Services**

MRI scans performed have increased by 17% and CT scans by more than 30% over the five years up to 2017/18, largely attributed to technological advances that continue to broaden their range of uses. The Ministry of Health and Long-Term Care is responsible for overseeing, through the 14 LHINs, the funding and performance of MRI and CT services in Ontario. Of the 137 public hospitals in the province, 78 had at least one MRI or CT machine.

The Ministry has set four priority levels for radiologists to use to triage patients and has set a wait-time target for each level: emergency (within 24 hours), urgent (within two days), semi-urgent (within 10 days) and non-urgent (within 28 days). Ontario's wait times were the lowest of the five provinces where data was available, but many patients were still experiencing waits longer than the targets. The auditor also found that wait times could be reduced by operating MRI and CT scan machines for longer hours.

#### Specific findings include:

- For MRIs, 65% of semi-urgent and non-urgent patients waited longer than the Ministry's targeted waiting period. For CT scans, 33% of semi-urgent and non-urgent patients waited longer than the Ministry's targeted waiting period.
- Wait times for MRI scans vary depending on where the patient lives in Ontario.
- Patients wait unnecessarily long times for MRI scans, while machines are not operating for sufficient hours, despite available capacity.
- Patient no-shows (missed appointments) are costly, but the Ministry and hospitals do not understand why they occur.
- The Ministry is unable to justify the funding methods for MRI and CT scans, which have remained unchanged for over 10 years.
- Hospitals did not consistently assess or track whether all referrals for MRI and CT scans were clinically necessary.
- Standardized hourly rates and wait-time performance measures are lacking in Ministry agreements with independent health facilities (IHF). The Ministry contracts with 7 IHFs to provide semi-urgent and non-urgent scans.

## Follow-Up Reports on 2016 Annual Report Value-for-Money Audits

### Child and Youth Mental Health

- The Ministry of Children, Community and Social Services, and four child and youth mental health agencies, have fully implemented or have made significant progress in implementing 24% of the Office's recommendations.
- It is important to note that the government recently announced that the Ministry of Health and Long-Term Care will be taking on responsibility for child and youth mental health from the former Ministry of Children and Youth Services.

### Electronic Health Records' Implementation Status

- The Ministry of Health and Long-Term Care and eHealth Ontario have fully implemented 26% of the actions recommended in the *2016 Annual Report*.
- The Ministry and eHealth Ontario have fully implemented recommendations such as establishing and communicating a consistent definition of "active user" across the province. They also have examined the reasons for the low rate at which health care professionals adopted electronic health records and prepared a plan to address the root causes of the low usage rates.

### Housing and Supportive Services for People with Mental Health Issues

- The Ministry of Health and Long-Term Care and the LHINS have fully implemented only one recommendation.
- The Ministry is currently seeking policy approval for multi-year mental-health and addictions initiatives tied to the \$3.8-billion provincial and federal commitment to build a comprehensive mental health and addictions system. The Ministry expects that these initiatives, once implemented, will address a number of our recommendations.

### Large Community Hospital Operations

- 76% of the actions recommended in the *2016 Annual Report* had been fully implemented, specifically in the areas of monitoring the bed-wait time on a regular basis, developing a crisis response system to handle difficult cases and high case volumes, publicly reporting wait-time performance data by urgency level of surgery, and performing maintenance on inventory of medical equipment.

### Physician billing

- MOHLTC has fully implemented 21% of the actions recommended in the *2016 Annual Report*.
- The Ministry has made no progress in obtaining accurate information on physicians' practices, including their operating costs and profit margins in providing Ontario Health Insurance Plan (OHIP) services. The Ministry also indicated it would not be implementing recovering the \$3.2 million of overpayments to physicians related to the cardiac rhythm monitoring tests that were inappropriately claimed, because the physicians involved ceased billing the Ministry in that manner.

## Specialty Psychiatric Hospital Services

- 38% of the actions recommended in Office of the Auditor General's *2016 Annual Report* had been fully implemented, specifically in the areas of reviewing hospitals' care planning policies to ensure alignment with best practices, developing quality standards related to mental health services, and establishing a forum for information sharing among hospitals.

## Follow-Up on Reports Issued by the Standing Committee on Public Accounts

### Child and Youth Mental Health

- There has been little or no progress by the Ministry of Children, Community and Social Services on 96% of the Committee's actions.
- As well, the Ministry does not expect to have collected sufficient data to set targets for its performance indicators until 2024.

### Large Community Hospital Operations

- As of August 3, 2018, 73% of the Committee's recommendations have been fully implemented by the Ministry of Health and Long-Term Care.
- A further 21% of the recommendations were in the process of being implemented, and the remaining 6% of recommendations had little or no progress.

### Long-Term-Care Home Quality Inspection Program

- As of June 29, 2018, MOHLTC had fully implemented 48% of the Committee's recommendations from 2017.
- The Ministry was also in the process of implementing recommendations relating to areas such as improving the clarity of its inspection reports, and developing a reporting strategy that allows the public to compare and rank homes' level of compliance and other quality-of-care indicators.

### Physician billing

- MOHLTC had fully implemented 35% of the Standing Committee on Public Accounts' recommended actions, and was in the process of implementing a further 41% of the recommended actions.
- The Ministry has made little progress in obtaining accurate information on physicians' practices, including operating costs and profit margins.

Read the full report [here](#).

Read the press release [here](#).