



FOCUSING ON THE HEALTH AND SAFETY OF ONTARIANS

THE FOLLOWING DOCUMENT IS A SUMMARY BASED ON MEDEC'S 2007 ONTARIO PRE-BUDGET SUBMISSION. THE ADVOCACY PROPOSAL WAS FORMALLY SENT TO THE ONTARIO MINISTRY OF FINANCE'S STANDING COMMITTEE ON FINANCE & ECONOMIC AFFAIRS, SENIOR MINISTRY OF HEALTH OFFICIALS, THE MINISTER OF FINANCE AND HIS SENIOR STAFF.

In January 2007, MEDEC presented a submission as part of the annual pre-Budget consultations on two key issues affecting the government's ability to provide Ontarians with the highest quality care.

The two issues were: eliminating the significant backlog in access to Ontario Health Technology Advisory Committee's (OHTAC) recommended devices and banning the reuse of single use medical devices.

MEDEC's proposed solutions to these issues also fits with the current government's efforts to reduce wait times for an expanding list of key medical procedures as well as to maintain and protect the public's confidence in the safety of the healthcare system.

The Pre-Budget Submission illustrated that Ontario should:

- 1) create a Medical Device Technology Fund**
- 2) take a leadership role in eliminating the reuse of single use medical devices.**

1 Create a New Medical Device Technology Fund

Ontario should create a new Medical Device Technology Fund modeled after the former federal fund (Diagnostic and Medical Equipment Fund -DMEF) that was administered through the provinces until its cessation in March 2006.

The Issue:

Currently, Ontario lags in the adoption of innovative medical device technologies. The restrictions of the former federal fund limited Ontario to major capital purchases leading to the expansion of access to major diagnostics and did not allow the province the flexibility to address access to the majority of medical device technologies that received OHTAC recommendations.

New and innovative medical devices are not a cost driver to the system. Rather, they can reduce pharmaceutical requirements, emergency room visits and hospital stays.

There are many examples of the OHTAC's recommended devices that could provide immediate health benefits to patients as well as cost offsets to the MOHLTC budget if administered and tracked properly.

Ontario has an opportunity to provide patients with access to the devices needed to improve their health as well as provide significant cost offsets to the Ontario Drug Benefit (ODB) Program and hospital budgets.

Currently there is a significant backlog in access to OHTAC recommended devices. MEDEC estimates the total to be \$175 million including acquisition, staff training and operating expenses.

The Solution:

First, MEDEC proposed that Ontario establish a fund to clear the backlog of recommended devices not currently accessible to patients in need, and allow an opportunity to provide the province with concrete data to demonstrate the cost-effectiveness of these devices.

Secondly, MEDEC proposed the fund be established with a budget of \$175 million (in year one) to eliminate the backlog that currently exists. Ongoing annual costs would be significantly less to maintain the program and provide access to new technologies as they come to market.

Lastly, MEDEC proposed MOHLTC establish a consultative process with MEDEC to establish the parameters for an ongoing program to keep Ontario current with leading jurisdictions, maximize the offset to ODB and hospital budgets due to use of device technologies and assist the home-grown device industry in Ontario.

Ban the Reuse of Single Use Medical Devices

Ontario should ban hospitals from reusing single use medical devices (SUDs).

The Issue:

SUDs evolved from the need to reduce cross contamination from one patient to the next in addition to reducing the costs associated with reprocessing reusable devices. The industry responded with the development of new materials and technologies that could be applied to manufacturing single use products.

In 1999 a Manitoba microbiologist undertook an audit of reprocessed SUDs at Winnipeg hospitals and discovered that many had remained contaminated. This prompted the Manitoba government to ban the practice of all critical use devices.

Currently Manitoba is the only province to have prohibited the reuse of SUDs and provide hospitals with the funding to avoid putting patients at risk.

Budget constraints over the years have led hospitals to engage in the reuse of single use devices in order to save money. The inappropriate use of these devices has caused serious health problems for some patients, has exposed hospitals and the government to major liability and has eroded public confidence in the safety of the healthcare system and the government's stewardship of it.

There is a significant body of evidence to support the ban led by recommendations from Justice Horace Krever, the Canadian

Healthcare Association, Health Canada, the Ontario Hospital Association and many others.

The risks of reusing SUDs has resonated in public consciousness and leaves governments financially and politically exposed if they do not take action. Based on cost estimates from Manitoba, it would require approximately \$42 million annually to ensure Ontario patients are kept safe from this practice. MEDEC encourages the government to make this part of their 2007 Budget statement.

The practice of reusing SUDs also raises ethical questions such as a patient's right to informed consent. In addition, hospitals generally do not inform the original manufacturer that their device is being reused.

The Solution:

Due to the enormous risk to patients in Ontario, the unfortunate cases of patients contracting diseases as a result of SUDs combined with the lack of federal regulatory directives, MEDEC has requested that the Ontario government take a leadership role in this matter. Specifically, the government must ban the reuse of SUDs, and provide the necessary funding to hospitals to eliminate the temptation to save money through the reuse of SUDs. The estimated cost to the government would be \$42 million annually, based on extrapolation from the Manitoba experience.

Conclusion:

The issues of access to new medical device technology for Ontario patients and the banning of reusing single use devices deserve immediate attention by the Ontario government.

MEDEC's pre-budget submission highlighted these two issues and demonstrated the significant financial and political upside for the current government to take action and address these issues in the 2007/08 budget cycle.

ABOUT MEDEC

- MEDEC is the national industry association representing medical device and diagnostic companies. Our members are dedicated to serving the healthcare community through research and development and the provision of high quality medical products and services that benefit Canadians. – safely and efficaciously.
- MEDEC members are committed to advancing healthcare in Canada by ensuring patients have access to safe medical device technologies.
- Member companies represent a range of medical devices such as operating room devices and hospital equipment, as well as medical specialties such as cardiovascular, orthopaedic, ophthalmic, diabetes, and in-vitro diagnostics.
- MEDEC's mission is to strengthen and grow the industry in Canada by working closely with governments, medical associations and the public to establish an environment that supports the adoption of new technology from both regulatory and reimbursement perspectives.
- MEDEC members are committed to the highest standards of professional conduct. MEDEC has designed and adopted a Code of Conduct to promote ethical business practices and socially responsible industry conduct to govern interactions with healthcare professionals.