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Don’t listen to the myth of a European model for health care

Because like all too-good-to-be-true remedies, there’s more hype than hope in Robert Ouellet’s healthcare elixir than meets the eye.

By Michael McBane

OTTAWA -— Health care has a long history of folks selling dubious remedies to cure all our ills. The latest version of snake-oil is the “European Model” of health care, promoted enthusiastically by Dr. Robert Ouellet, the outgoing president of the Canadian Medical Association and owner of a growing for-profit private healthcare business.

According to Ouellet and other advocates, European countries have combined public and private health care and avoided all the problems that plague Canada’s public system. This supposed “European Model” is being touted across the country as the miracle medicine that will cure Canada’s difficulties with wait times, shortages of doctors and nurses and the increasing costs of health care.

Like all too-good-to-be-true remedies, there is more hype than hope in Ouellet’s healthcare elixir.

First, there is simply no such thing as the European Model. The European countries have a variety of health care systems, each with unique benefits and problems. There is no perfect healthcare system in Europe.

Ouellet cherry-picks bits and pieces from different countries to create the illusion of a cohesive and effective system of parallel private and public care. The truth is very different.

For example, Ouellet points out that there are no waiting lists in France. But it’s not because France allows private for-profit services. France has 3.4 doctors for every 1,000 patients, compared to Canada’s 2.2 doctors per 1,000 patients.

Introducing a privatized for-profit system into Canada would not create a single new doctor or nurse. Instead, a for-profit system would poach needed health professionals from the public system, making waiting lists even longer.
The French system provides “universal” health coverage funded mostly through social insurance. There are large user fees, and patients buy private insurance to cover these costs. An estimated 300,000 French citizens cannot afford the fees and have no access to care.

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Public investment in health services is much higher in Europe than in Canada. In France, public expenditure is 80 per cent of health care costs; in Britain, it is 87 per cent. In Canada, government spending provides only 70 per cent of total health care expenditures.

Denmark, lauded by Ouellet for its short waiting lists, has one of the highest tax rates in the world. It's safe to assume that Ouellet is not advocating that reform.

Britain has had a parallel system of public and private, for-profit care for a long time. But even Ouellet's equivalent in Britain, the chairman of the British Medical Association, has said, "We've had the market in England for 20 years. Where's the evidence that it works?" Like other European countries with parallel systems, Britain has longer waiting lists than those countries with a single-payer system like Canada's.

European health care is generally more comprehensive than Canada's, covering prescription drugs, home care, eye care, dental care, etc. And the trend is toward less, not more, private funding.

The evidence from Europe simply doesn't support Ouellet's recommendations on adopting a parallel for-profit and public health care system in Canada. So why is he—and his fellow for-profit advocates talking up the European Model?

Could it be the self-interest of the businessman-owner of a private for-profit diagnostic services?

More likely it's because Canadians have firmly—and frequently—rejected a two-tier American-style model of health care. We've seen what happens south of the border, and we don't want it here.

But we shouldn't be deceived into thinking that Ouellet's "European Model" would be any different than the American model. Our public health system is vulnerable to American interests because of our trade relationship with the United States. The North American Trade Agreement (NAFTA) between Canada and the United States exempts public health care, but doesn't exclude private care. Under NAFTA, if we open our system up to for-profit companies, we have to give "national treatment" to American companies who want to compete. And this means we'll have opened our border to exactly the kind of two-tier American model we all want to avoid.

The idea of a "European Model" sounds much more benign than the American system. We don't know exactly how things work in Europe, and so we're more vulnerable to claims that things are better in France or Denmark or Britain. But Europe is no more of a model for Canada than the United States.

What Canadians want is improvement in our public health system. We need a Canadian model, not a European or American model. Our Canadian healthcare system reflects our values of equality and fairness, and we'd rather fix it than replace it.

The public health care solutions are there for us. We can, and have already begun to fix wait times. We are working on shrinking the shortages in health professionals. There are exciting projects happening across the country to make our system work better for all of us.

Ouellet has said that he wants a universal health care system "where ideologies take a back seat to good ideas." If that's true, he and his fellow for-profit advocates should get behind those effective and efficient initiatives that are improving our public system—instead of touring the country as hucksters for unproven remedies.

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