



Submission to the Competition Bureau of Canada regarding Digital Transformation of the Health Care Sector

Canadian Life and Health Insurance Association
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The Canadian Life and Health Insurance Association (CLHIA) is a voluntary trade association with member companies that account for 99 percent of Canada's life and health insurance business. Life and health insurers are a significant social and economic contributor in Canada, providing 26 million Canadians with extended health care, dental and disability coverage and making \$38 billion in health benefits payments in 2019. Most benefit plans are offered and funded by plan sponsors (employers) in Canada for the benefit of their employees, partners and dependents.



Protecting 29 million Canadians

26 million with drug, dental and other health benefits

22 million with life insurance averaging \$222,000 per insured

12 million with disability income protection



\$103 billion in payments to Canadians

\$53 billion in annuities

\$38 billion in health and disability claims

\$12 billion in life insurance policies



\$8.3 billion in tax contributions

\$1.5 billion in corporate income tax

\$1.3 billion in payroll and other taxes

\$1.6 billion in premium tax

\$3.9 billion in retail sales and payroll taxes collected



Investing in Canada

\$950 billion in total invested assets

92% held in long-term investments

The CLHIA is pleased to provide comments to the Competition Bureau of Canada in response to its consultation on digital transformation of the health care sector, particularly given that this transformation has been accelerated by the COVID-19 pandemic.

Access to digital health supports is an important issue for our industry. The industry has been a leader in offering innovative products to assist Canadians with access to mental health supports and other virtual care where appropriate. These services provide flexibility to assist patients with access and help reduce the pressure on the overall healthcare system. The COVID-19 crisis accelerated the need for access to virtual services and the industry responded. For that reason, overall, we are supportive on the progress towards employing more digital health within the health care sector. Given the industry's experience with the recent rush to digital health services, we appreciate the opportunity to share our observations and suggestions for the Competition Bureau to consider. As digital health is a very wide category, we will concentrate on the provision of health services over a platform, known as 'telehealth'.

Comments in Response to Specific Competition Bureau Questions

Are there ways that policies can better support innovation, choice and access to digital health care solutions? For example, do specific rules unnecessarily impact the ability to offer virtual products and services to Canadians? Please explain.

During COVID, many health care professionals were suddenly faced with having to offer virtual care services so that their patients could continue to have access to care. During the rush to bring these services to Canadians, in many cases, it was discovered that well developed policies by health care regulators (i.e. regulatory colleges) on virtual care services were not available. Our industry believes that as virtual care becomes more of the “norm” there needs to be well-developed medically supported guidelines in place in order to ensure patient safety and quality of care. In some instances, the standard of care should be set at an equivalent level to that of an in-person consultation.

Provincial health care regulatory bodies (i.e. health profession colleges) have a pivotal role to play in the development of these policies. Policies related to virtual health need to address a range of issues, including:

- a. the scope of services that can be provided digitally, since not all services, such as hands-on care, can be,
- b. documentation and reporting standards for virtual services with patient-reported issues but without provider-observed results, to ensure transparency about how the services are delivered, and
- c. technical specifications for secure digital modes of communication to ensure protection of personal health information.

Of the three issues noted above, moving to digital delivery over the past 6 months has been impeded by lack of certainty about what services can be provided virtually. This needs to be sorted out first.

Also, because the provinces regulate health care, access to digital health care solutions varies amongst the provincial jurisdictions. Today, there is a confusing patchwork of rules affecting when a health care provider, licensed in one province, can provide digital health services to patients in another jurisdiction. For example, an Ontario physician treating Alberta patients is limited to 5 virtual consultations per year. To provide additional virtual care, the Ontario physician needs to be licensed in both Alberta and Ontario. In other provinces, no out-of-province virtual consultations are permitted unless the relevant physician is licensed in both provinces. This duplication in licensing requirements results in a less efficient market, and needlessly limits access to these services for individuals that live in provinces or territories with fewer physicians.

Similarly, each province and territory in Canada determines which services can be made available and funded privately, and which can only be provided and funded as part of a public plan.

For national health care payers such as insurers, the regulation of health care by jurisdiction makes the landscape complex to navigate for payment purposes. We would suggest that

principles be put in place for provincial/territorial health care regulators to assure availability and consistency in the provision of digital health services.

What other barriers are impeding Canadians' access to virtual care and restricting innovation and choice in the health care sector? Can these barriers be reduced—and, if so, how—in order to facilitate the entry and expansion of digital solutions?

From our point of view, secure delivery of health care services and ensuring patient privacy are key to the success of virtual care. Patients need to know that they can receive services through a safe, secure and private connection to a healthcare provider. We would encourage the Competition Bureau and Federal Government to leverage current Federal and Provincial privacy Regulation reviews and consultations that are occurring, specifically with respect to telehealth, to ensure appropriate privacy rules and protections are in place. You will note that a key recommendation in those consultations is that Canada must avoid a national patchwork of privacy legislation.

We know that not all healthcare services can be provided virtually. Therefore, provincial regulatory colleges should determine, in a consistent manner, what services can and can't be offered virtually.

Further, once services are delivered virtually, primary care physicians need to be able to access digital records to ensure continuity of care. If electronic records are stored on multiple platforms, such platforms need to be compatible, allowing access by primary care physicians and virtual providers alike.

We note that there are barriers to access for those who do not have hardware and Internet resources because of socio-economic reasons. There are also barriers to access in some rural and remote regions due to lack of technology infrastructure resulting in slow Internet speeds. We also note that there are patients with language needs who would benefit by having virtual access to healthcare practitioners in other regions in Canada who speak their language. The Competition Bureau may wish to give consideration about how these needs can be addressed and barriers reduced or eliminated.

What measures have other jurisdictions taken to improve access to virtual care? How have barriers to innovation and choice been eliminated, while balancing legal and regulatory requirements in the delivery of digital health care solutions? Can similar measures be adopted in Canada? Why or why not?

Although a wide range of industry stakeholders have published toolkits and guidelines, government's role in ensuring appropriate and strong governance is important. BC / PHSA's model, in particular, may be a good model. It is provided by its Office of Virtual Health and does a good job of acknowledging the balance of interests - oversight, clinical and IT perspectives – that are required for success.

What impact has the COVID-19 pandemic had on innovation and choice in Canada's health care sector, and on Canadians' ability to access health care virtually? Have any barriers hindered the adoption of digital solutions in response to the COVID-19 pandemic? Please explain.

See response to question 1.

Thank you for your consideration of this submission. We would be pleased to discuss any of the issues raised in this submission in more detail at your convenience.