February 12, 2021

Hon. Peter Bethlenfalvy, Minister of Finance  
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Medtech Canada 2021 Budget Submission

Dear Minister Bethlenfalvy,

Medical technologies diagnose and treat patients with varying health needs. These devices can range from simple technologies, such as basic thermometers, to very complex ones, such as a laser surgical devices or implantable pacemakers. Medical technologies contribute to improved patient outcomes every day. They save lives, improve productivity to keep Ontarians at work and add to quality of life for patients and families. Medical technologies play a vital role in supporting healthcare professionals deliver the care that our love ones and everyone in Ontario need as they access our healthcare system in their moments of greatest need.

COVID-19 has brought to light the critical role the medical technology industry plays in Canada. We encourage you to visit www.medtechinnovation.ca to get a sense of the vast impact the medical technology industry has had in the response to COVID-19 in keeping Ontarians as safe and healthy as possible.

The Ontario health care system invests billions of tax dollars each year, but we continue to lack the health care system we need to have optimal patient outcomes. While there’s much to be optimistic about since your government took office—such as Ontario Health (including the creation of Ontario Health Teams and the Ontario Onwards Plan), and the Ontario Digital Health Strategy—there are significant other opportunities presented using medical technologies to address issues such surgical backlogs and wait times, while creating efficiencies in our health care system and improving patient experiences.

In support of 2020’s Ontario Action Recovery Plan, Medtech Canada recognizes the need to Recover and grow Ontario’s economy and focus on the industries of the future – not the jobs of the past. In a province where companies like GM are closing manufacturing plants, we need to change the momentum and figure out how to replace those manufacturing jobs with the advanced manufacturing jobs of the future and provide other diverse job opportunities in areas like research & development, distribution, supply chain, health innovation, engineering, and many other areas that the medical technology industry offers.

There are many opportunities to work with the medical technology industry to advance those priorities for the benefit of Ontarians and – as such – we have identified the following key recommendations.
1. **Supply Chain Modernization/Supply Ontario**
   a. Ensure that clinical and health care sector input and expertise are required for procurement for health care
   b. Implement the appropriate use of value-based procurement methodologies for health care products
   c. Create a third-party mechanism to facilitate dispute resolution related to procurement processes

2. **Surgical Backlogs (Addressing Ontario’s Action Plan: Protect)**
   a. Address the backlog in deferred medical services
   b. Engage with the medical technology industry to identify solutions that can help catch up on surgical backlogs
   c. Streamline medical imaging regulations to support access to innovative medical imaging equipment, which is critical to support surgical backlogs

   a. Continue the momentum and deploy “All the Tools in the Tool Kit” including the expansion of rapid antigen testing and ensuring we have robust COVID-19 testing strategies across the province

   a. Economic development objectives should be strategically linked to health care procurement

5. **Reducing Red Tape**
   a. Create a better process to ensure that OHIP billing codes are reviewed, updated and/or new codes are created that better align with technological advancements to generate faster adoption of innovative technologies

6. **Digital Health**
   a. Modify existing fee code system to allow for permanent delivery of virtual care
   b. Modernize privacy regulations to better leverage health care data
ADDITIONAL RATIONALE AND BACKGROUND FOR RECOMMENDATIONS

1. Supply Chain Modernization/Supply Ontario

Medtech Canada recognizes and supports the government’s efforts in creating a provincial agency, Supply Ontario. The government should work with the medtech industry to address some important initiatives under the umbrella of Supply Ontario.

a. Ensure that clinical and health care sector input and expertise are required for procurement for health care

Procurement for clinical products used by health care providers should be initiated and managed by personnel with sector-specific knowledge and should include clinical input and choice. Comprehensive early market engagement and market assessments should be conducted regularly to understand new clinical development and improved technologies.

When purchasing technologies that have impact on, are used on, or in the care of patients, we believe it is critical that those managing and making the purchasing decisions have, or have access to, clinical and health care expertise. In all aspects of life, and in business, we turn to experts to provide advice and make critical decisions on our behalf.

b. Implement the appropriate use of value-based procurement methodologies for health care products

Procurement for health care products or solutions should be conducted through a model which maximizes the value received from the use of public funds. Ideally, procurement should employ different tactics and approaches to allow for clinical choice and the varied impact of medical technologies to the clinician and the overall system. Value-based methodologies should be considered when the products affect short and long-term patient outcomes, patient or caregiver experiences or health care system costs. It is important to note that improving objectives focused on patient outcomes leads to the optimization of resources and costs.

The majority of RFPs issued in health care in Canada today, are primarily scored or given the highest weighted component of the score based on price alone. It would be beneficial if the procurement system would accurately assess the current and future market, evaluate proven or potential differences in products to establish value other than merely the quoted “price to buy”. A more expensive device may be a higher price and cost but may save on drug expense, staffing, time required in ICU, or other costs. Some products will reduce the length of stay or patient recovery time or allow patients to return to work sooner. Some technologies reduce the risk of infections, pain, or scar tissue for a patient. Some products or solutions may not even be considered in our current system because they are alternatives to the current offering and are unknown.

The impact of technologies and solutions on patient care and on the health care system are critically important in a publicly funded system and, by assessing the scenarios and using value-based procurement techniques and expertise, greater results, both fiscally and clinically, could be attained.
c. Create a third-party mechanism to facilitate dispute resolution related to procurement processes

Health care procurement should include a 3rd party mechanism which would allow all stakeholders an objective environment to review process, resolve disputes, get robust feedback and debriefing on procurements, and to ensure fairness, transparency and accountability for all parties.

*NOTE: One reference model that could be examined is Quebec’s Public Market Authority which oversees all public procurement in the province.*

It is important for both suppliers and providers to have an impartial and safe place to manage disputes and offer constructive feedback. This entity could help to manage dispute resolution, ensure fairness and transparency in debriefing and feedback and ensure accountability. It is also important that taxpayers feel confident in supporting a fair and transparent system for purchasing health care technologies.


2. Surgical Backlogs

a. Address the backlog in deferred medical services

The OHA report on “Understanding the Impact of COVID-19 on Ontario Hospital Finances”, communicates the needs of new funding being needed to address the backlogs of procedures, as the pandemic depleted all cash reserves. The medtech industry encourages the government to address the backlog in deferred services as quickly as possible with incremental funding to expand capacity and investments in high-value medical interventions to reserve hospital resources, while acknowledging the significant challenge that COVID-19 has created with human resource burnout. This will ensure that clinicians in roles with the greatest potential impact on clearing backlogs have the capacity to acquire the tools, technologies and training that can increase efficiency and quality of care delivery. Funding should also be included for health service providers to be able to acquire innovative technologies that can assist with surgical backlogs as this is becoming a rising public health issue with backlogs increasing and patient health worsening.

b. Engage with the medical technology industry to identify solutions that can help catch up on surgical backlogs

Engage with the medical technology industry to identify solutions from both a Canadian as well as global best practice perspective to address the current backlog. There are also innovative solutions to consider for possible future waves that would prevent having another complete shutdown of medically necessary services that has taken a toll on patients and the healthcare community. The medical technology industry should have a seat at the table to assist in building future strategies before they are implemented.
c. **Streamline medical imaging regulations to support access to innovative medical imaging equipment, which is critical to support surgical backlogs**

It is critical that the Ontario Government work with Medtech Canada to streamline and update the now outdated Healing Arts Radiation Protection (HARP) Act to ensure that new innovative medical imaging technologies can be used effectively in the Ontario health care system. Adoption of newer point-of-care imaging equipment will allow patients faster access to imaging that is required pre-surgery and will help reduce backlogs.

The Healing Arts Radiation Protection (HARP) Act was passed by the Ontario legislature in 1990 – 30 years ago. Since that time, there have been many new and innovative medical imaging technologies that didn’t exist when the legislation was written. There are also several prohibitive regulations within the legislation that limit the ability for health care providers to maximize the use of these technologies.

### 3. COVID-19 Testing

a. **Optimally deploy “All the Tools in the Tool Kit” including the expansion of rapid antigen testing and ensuring we have robust COVID-19 testing strategies across the province**

Medtech Canada supports the [Testing and Screening Expert Advisory Panel’s report](#) on optimizing testing and screening. The government should develop and optimally deploy a much broader COVID-19 testing strategy in Ontario, including the expansion of rapid antigen tests as a public health tool. They are an effective screening tool that will rapidly identify an actively contagious individual in the public settings.

There are three objectives for COVID-19 testing: screening (i.e., identify the potential cases), diagnosing (i.e., confirm diagnosis) and monitoring/epidemiology (i.e., past infections and/or immunity). Despite having options, there are still limits on testing capacity. For example, Lab-based PCR testing is often restricted to only individuals who are symptomatic or exposed to a diagnosed individual and there are surge capacity ceilings. Therefore, it is essential to use all the tools that are available to screen, detect and monitor the virus.

Vigilance will continue to be needed through 2021 and possibly into 2022. There are opportunities to optimize the role testing can have to help manage and control the spread of COVID-19 through the pandemic. It is also important to move from reactive diagnostic testing, and include proactive screening as a method to actively work towards Ontario’s Action Plan, specifically to protect and support Ontario.

### 4. Economic Recovery

a. **Economic development objectives should be strategically linked to health care procurement**

Health care procurement should strategically link health care spend to economic development targets and initiatives. This would ensure that the significant investment made by taxpayers into the support of the health care system contributes to the development of the national medical technology industry and overall economy.

Increased sales for medical technologies that are manufactured in Canada may lead to more jobs and economic development opportunities for Canadians. Although economic development is currently being
considered through the domestic production of PPE, Medtech Canada also suggests strengthening local manufacturing and supply chains.

This could all be linked to a value-based procurement model for health care in Canada that adds job growth and economic development to the evaluation criteria for the procurement of good and services. This is particularly critical to small and medium Canadian-based companies, but also should apply to multinational organizations that contribute to growing the Canadian economy as well.

5. Reducing Red Tape

a. Create a better process to ensure that OHIP billing codes are reviewed, updated and/or new codes are created that better align with technological advancements to generate faster adoption of innovative technologies

The Ontario Government should ensure that the OHIP billing codes don’t hinder the introduction of technological advancements that benefit patients and the health care system through a process that reviews OHIP billing codes that need adjustments or creating billing codes that don’t exist due to new, innovative medical technologies that are currently not supported or improperly supported due to lack of (or misalignment) OHIP billing codes.

While there are many barriers in Ontario (and in Canada) to the adoption of new medical technologies, one of the most significant ones is the absence of a process to advance physician/allied health professional billing codes to support new innovative technologies and procedures. Some of the challenges include:

1) Lack of a fee code for a clinician to be able to perform a new procedure

2) Challenges in the interpretation of existing fee codes

3) Disincentives embedded in the schedule preventing the adoption of technologies or procedures

4) Technical Fee Codes that don’t exist to support certain technologies and/or do not support the use of better technologies (for discussion/informational purposes only – there is not currently a process to introduce or adjust technical fee codes through the OMA)

Some examples include:

Remote Monitoring of Patients with Implantable Cardiac Devices (ICDs) or Home Dialysis
- Remote patient monitoring for patients with ICDs or remote patient monitoring for patients doing home dialysis, is better for the system and for patients, and has been in use for more than a decade, yet there is no physician reimbursement to perform this monitoring in Ontario.

Balloon Sinuplasty and Access to Other New Procedures
- Patients don’t currently have access to treatment options such as balloon sinuplasty (a treatment for blocked sinuses) in Ontario. It has been available to patients in other countries for years, provides a less invasive approach than current treatment options and may allow the treatment of these patients to a less expensive health care setting.
**Point-of-Care Ultrasound**
- Physicians in private practices are not supported through a technical fee or otherwise to make an investment in point-of-care ultrasound despite mounting evidence that appropriate use of this technology can improve care and increase health care system efficiencies.

**Point-of-Care Group-A-Strep, Influenza, COVID-19**
- Physicians (and other allied health professionals) currently have limited or no reimbursement for services provided to utilize point-of-care technologies for detection of infectious diseases and to help with clinical decision-making.

Innovation in technologies and procedures enables better patient outcomes, can reduce wait times, supports patients and families in the community and reduces cost in the healthcare system. One way to take advantage of these opportunities is to provide a more flexible and transparent approach to adjusting billing codes.

Medtech Canada recommends that the Ontario government ensures there is a process—specifically related to medical technology advancements—to review current billing code challenges and address these issues.

### 6. Digital Health

**a. Modify existing fee code system to allow for permanent delivery of virtual care**

Medtech Canada supports the recent [Ontario Chamber of Commerce report](#) asking for the development of a comprehensive framework for virtual care in Canada. The pandemic has shown the value of innovation in virtual care from the private sector and thus, the development of such frameworks should be done in participation with members from the private industry.

The OCC report also highlights the need for virtual care fee codes to become a permanent fixture in health care. The pandemic has given rise to virtual care as an equitable, convenient and usable approach to deliver quality care to patients, while also having a huge clinical value. Virtual visits have enabled more and more Ontarians to continue accessing quality health care while not exposing themselves to the virus, as well as significantly reducing in-person medical office wait times.

Medtech Canada supports the fact that virtual care is a key priority for Ontario Health Teams. For additional consideration, given the impact of chronic diseases, there is an opportunity for OHTs to have immediate impact for Ontarians by focusing on virtual chronic disease management, that can be enabled by innovative medical technologies and solutions.

**b. Modernize privacy regulations to better leverage health care data**

Medtech Canada asks for the government to accelerate the implementation and planning of privacy modernization. Governments should adopt policies that include cross-border data flows, as suggested by [2021 Data Driven report](#) by the Business Council of Canada.

In December 2019, the Ontario government updated their “The Digital Health Policy Guidance Document”. There, they stated that “The ministry recognizes the immense value that private sector
innovators bring to the health care system and is committed to supporting digital health innovation. The ministry understands that providing more opportunity for non-HICs to connect their digital health products and services to provincial digital health assets may increase the risk of exposing PHI to unauthorized audiences. This is why a phased implementation is recommended to make sure that the right amount of planning is done with all digital health delivery partners so that challenges are anticipated, and issues are addressed immediately.”

The fostering of digital innovation through modernizing privacy regulations will remove barriers to integration and allow for the use of secure health information. Not only can this information be used to manage health resources, but it will also improve patient care through the inclusion of private sector solutions.

CONCLUSION

The people of Ontario want sustainable, first-class health care and a growing economy. The Doug Ford government has made clear its commitment to both. We have provided your government with solutions that will contribute to the goals of Ontario’s Action Plan. We look forward to working with you and your government to provide better health care for Ontarians, protect current infrastructures from future COVID-19 waves, and recovering and growing Ontario’s economy.

Thank you for your consideration of our recommendations. If you have any questions or would like to discuss further, please contact me directly at blewis@medtechcanada.org or (416) 641-2750.

Sincerely,

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