



Consumers' Association of Canada (Alberta Chapter)

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Consumer group report exposes dramatic loss of benefits and skyrocketing costs from U.S. style healthcare

Desperate people are forced to pay any price to get the care they need, said Larry Phillips, President of the Alberta Chapter of Consumers' Association of Canada in releasing the association's new report entitled **Eldercare – On the Auction Block**. "Many families are left with the untenable choice of giving up one person's salary to provide care for someone at home, or placing a relative in unregulated U.S. style eldercare facilities - at U.S. prices." Monthly fees in some of these commercial "assisted living" settings can add up to more than \$4,000. Meanwhile, nursing home beds are being increasingly used by acute care patients.

The report, authored by researcher and consumer policy analyst, Wendy Armstrong, reveals how confusing jargon and concepts such as "unbundling" have been used to disguise the offloading of costs to families *and* driven up the costs of care. **In fact, so much of the burden and costs of care has been shifted to families that the Long Term Care Association of Alberta is advising the public to purchase new private insurance policies to protect their income, their assets and their families.** Mixed messages, missing data, and widespread differences among Alberta's 17 regional health authorities have also added to the confusion.

Phillips also points to toll this caregiving can take on family members. Ridden with guilt because they can't do more, and exhausted from the burden of daily care, many family caregivers find their own health starting to break down. There are other hidden costs as well; family breakdowns, lost income and future pension benefits. Employers of family caregivers also pay a high price. Meanwhile, the gap between the average income of seniors and the cost of living due to the continual erosion of health benefits is leaving them with less money to purchase the care they need or stay healthy. It's hard to be healthy living on tea and toast.

If this sounds like American-style health care, it is. And just as the administration costs of the U.S. system are much more expensive than Canada's, **Alberta's health authorities are spending more money administering an increasingly fragmented and privatized system, leaving less money for care.** In a two year period between 1998 and 2000, the administrative costs of Alberta's health authorities rose from 5.6 to 15.2% of their overall budget, more than for any other identified function. Billing clerks are replacing nurses.

The recent "Mazankowski" report stated the first priority of the government should be to keep people healthy. "It's difficult to see how railroading seniors with disabilities into using up their life savings to buy care at exorbitant prices - or expecting their adult children to spend thousands of dollars out of already stretched family budgets on private insurance premiums, can possibly help to keep people healthy", Phillips concluded. Therefore, the association is calling on the government to:

- Restore and expand universal public coverage for long term care supports in all settings.
- End the unbundling and fragmentation of services – stop the nickel and diming!
- Ensure full disclosure about long term care services and eligibility for coverage
- License, regulate, and monitor all supportive housing and Assisted Living settings.

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For more information or a copy of the report, please contact
Wendy Armstrong at (780) 910-9099 or (780) 454-9450
or the Consumers' Association Office at (780) 426-3270

