

Health Bulletin

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Fasken Martineau DuMoulin LLP

First Step: Ontario Government Begins Process to Allow for MRI and CT Scanners Outside of Hospitals

As noted in our previous bulletin, “Special Delivery: Ontario Government to Allow Private Sector Delivery of MRI and CT Scan Services” dated August, 2002, the Ontario Government has announced its intention to increase access to Magnetic Resonance Imagers (MRI) and Computerized Tomography Scanners (CT Scanners). Last week, Ontario’s Minister of Health and Long-Term Care Tony Clement took the first step towards making the plan a reality as he announced that the government has issued requests for proposals (RFP’s) for five new MRI and five new CT Scanners in various locations throughout the province. Until now, MRI and CT Scanners were in use only in public hospitals. However, citing public demand, improved diagnostic service and high quality health care as its reasons, the government has decided to create a new method of delivery for these services through independent health facilities (IHF) under the Independent Health Facilities Act (IHFA).

Responses to the RFP must be submitted to the Ministry of Health and Long-Term Care Tender Office by noon on December 24, 2002. Those interested in becoming an IHF operator will have to follow the RFP process. The RFPs were issued on the MERX system, a tendering system found on the Internet. There will be a competitive bid selection for each facility and the requirements and evaluation of the bids will be judged according to the terms found in the RFP for

each facility. Following the selection of the bids, operators will be given time to become operational and to allow for inspection by the College of Physicians and Surgeons of Ontario.

An information session for those interested in submitting a bid will be held on November 25, 2002 in Toronto.

The MRI’s and CT Scanners will be placed in locations throughout Ontario according to need. Those locations are:

MRI Locations	CT Scanner Locations
York Region	Huntsville/Bracebridge
Kitchener or Waterloo or Guelph	Thunder Bay
Kingston Area	Brantford
Durham Region	Durham Region
Oakville or Mississauga	Oakville or Mississauga

The purpose of placing these diagnostic tools outside of the hospital setting is to reduce the burden on hospitals and provide convenient service to those parts of the province in greatest need. The IHF’s will be subject to the quality supervision of the College of Physicians and Surgeons of Ontario. Licences granted to the operator of each IHF will be five years long, and may be renewed for further five-year terms.

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In Ontario, the government is the sole payer for insured services. The Ontario government will pay for MRIs and CT Scanners in the IHF's to the extent that they are medically necessary. However, the selected IHF operators will also be permitted to charge for the provision of uninsured services (those services provided to a person who is not an Insured Person or those services which are not covered under the Health Insurance Act), for which the users of the diagnostic tools will have to pay personally. In order to provide uninsured services, the IHF's will have to enter into an agreement with the Ministry of Health and Long-Term Care and adhere to its rigorous standards regarding "queue jumping". "Queue Jumping" is a defined term in the proposal documents and is a major concern for the Ontario public. Through regulations and supervision, the Ministry will enforce its "zero tolerance" for situations in which those with the most influence or money are granted greater and faster access to medical services than others.

As experts in the fields of public-private partnerships and health law, we would be happy to assist interested parties in taking advantage of this exciting opportunity. David Doubilet and Tom Barlow of our Privatization and Public-Private Partnerships Group have advised parties on all sides of public-private partnership transactions, and their experience and creativity enable them to anticipate and solve problems and complete transactions on a timely,

efficient and cost-effective basis. David Rosenbaum and Kelley McKinnon of our Health Law Group have expertise in the area of health care regulation and can navigate through the myriad of health law issues that may arise. If you have any questions regarding this or any other health related matter, please do not hesitate to contact David Rosenbaum, Kelley McKinnon, or any other member of our Health Law Group.

Jamison Steeve (Author) – Health Law Group
416 868 3547
jsteeve@tor.fasken.com

David C. Rosenbaum – Partner, Health Law Group
416 865 3516
drosenbaum@tor.fasken.com

Kelley M. McKinnon – Partner / Director, Health Law Group
416 865 4379
kmckinnon@tor.fasken.com

David M. Doubilet – Partner / Co-Director, Privatization and Public-Private Partnerships Group
416 865 4368
ddoubilet@tor.fasken.com

W. Thomas Barlow – Partner / Co-Director, Privatization and Public-Private Partnerships Group
416 868 3403
tbarlow@tor.fasken.com

This bulletin is intended to provide information to clients on recent developments in health law. Articles in this bulletin are not legal opinions and readers should not act on the basis of these articles without first consulting a lawyer who will provide analysis and advice on a specific matter.

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For more information, contact:

Vancouver

Lauri Ann Fenlon
604 631 3118
lfenlon@van.fasken.com

Québec

Benoît Mailloux
418 640 2012
bmailloux@qc.fasken.com

Yellowknife

John Bayly
867 766 6400
jbayly@nwt.fasken.com

New York

Philippe David
212 935 0910
pdavid@nyc.fasken.com

Toronto

Kelley M. McKinnon
416 865 4379
kmckinnon@tor.fasken.com

London

John Elias
44 20 7929 2894
jelias@lon.fasken.com

Montréal

Maurice Forget
514 397 7441
mforget@mtl.fasken.com