House of Commons
Chambre des communes
Canada

House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

(•) **an organization** **Organization name:** Canadian Federation of Medical Students

or

( ) **an individual** **Name:** _____

Topic: Health

*Recommendation 1: Please provide a short summary of your recommendation.

The federal government, in conjunction with provincial and medical organizations, should compile and publish national and regional data on Health Human Resources, including needs-based projections of physician supply and demand.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$1 million-4.9 million

5 or more years

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The federal government could fund this recommendation through its existing arrangement with the Canadian Institute for Health Information (CIHI). CIHI is already federally funded $18 million per year. This funding could be tied to a requirement to produce needs-based projections of physician supply and demand. Alternatively, the government could fund and task the federal Advisory Committee on Health Delivery and Human Resources with the creation of projections.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

The mismatch between the location and specialty of Canadian physicians and the needs of Canadian patients -the healthcare skills gap- contributes to physician shortages in several areas of need, and oversupply of expensively-trained professionals in others. Beneficiaries of effective Health Human Resources data would include:
-Canadian patients (who would have better access to the doctors they need)
-Provinces and health regions (who would be better able to allocate healthcare dollars)
-Universities and Hospitals (who would be better able to match their training programs to Canadians' needs)

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

The effects of fixing the healthcare skills gap would increase Canadians standard of living by increasing access to family doctors and lowering wait times for specialists, thus increasing Canadians' productivity and health.

Matching the training of doctors to the needs of Canadians would affect the way Canadians are trained by reduce the amount spent on over-training in areas of physician oversupply.

Topic: Employment, labour markets and unions

Recommendation 2: Please provide a short summary of your recommendation.

The federal government should defer repayment of the principal and interest accrued on the federal portion of medical graduates' Canada Student Loans until the completion of their residency training, so that physicians may take full advantage of existing government incentive programs for rural practice.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

other: please provide your estimated amount $10-15 million

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The Canada Student Loan Program (CSLP), run by the Government of Canada, currently begins repayment of medical graduates at the time of medical residency (the final stage of training). The government should defer repayment and interest of Canada Student Loans until the end of residency. The estimated cost of deferring interest at historic rates for four years for 2500 resident doctors per year is $10-15 million.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Medical residency is a financially challenging time for recent graduates who have accumulated significant debt to finance their medical education. This leads many resident doctors to consolidate their provincial-territorial student loans into a private bank line-of-credit with a lower interest rate, making them ineligible for incentive programs recently introduced by the federal government (e.g. for family doctors in rural areas). Thus the major beneficiaries would be:
-rural Canadians (who would have increased access to doctors brought in through incentive programs)

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Any program that increases the incentives for doctors to work in underserved communities may increase the healthcare and standard of living for Canadians.

Student loan deferment would also allow medical trainees to increasingly take part in existing training incentive programs.

Topic: Please select from the pull-down menu

Recommendation 3: Please provide a short summary of your recommendation.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

Please select from the drop down menu

Please select from the drop down menu

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Please use this page if you wish to provide more explanation about your recommendation(s).

Recommendation 1:

All Canadians -regardless of location- deserve adequate, quality healthcare. However, at present the mismatch between the location and specialty of Canadian doctors and the needs of Canadian patients -the healthcare skills gap- contributes to doctor shortages in several areas of need, and oversupply of expensively-trained professionals in others. Currently, decisions on which doctors to train is based on current need; however, there is a gap of 5-10 years between the start of a doctor's training and when he or she can begin to independently serve Canadians. Therefore, training decisions need to take into account the future healthcare needs of Canadians, including the effects of migration, aging, and lifestyle.

The federal government is uniquely able to study and coordinate needs-based physician projections. Inter-jurisdictional data about physician number, migration, and retirement are already tracked by the Canadian Institute for Health Information (CIHI), and the Canadian Community Health Survey tracks population health data at the regional level. The organizational leadership required to coordinate such a project already exists in the federal Advisory Committee on Health Delivery and Human Resources. Finally, the economic effects of fixing the healthcare skills gap could be potentially immense. Increasing access to family doctors, and lowering wait times for specialists, would increase all Canadians' productivity and health, and reducing the amount spent on over-training in areas of physician oversupply could reduce education expenditures.

Recommendation 2:

This year, the Government of Canada will begin to forgive a fraction of the federal portion of Canada Student Loan Program (CSLP) loans for new family physicians who choose to practice in a rural or remote community - up to $8,000 per year, to a maximum of $40,000 over five years1. This program will provide financial relief for new medical graduates while boosting primary care in underserved areas.

However, the CSLP will still require medical residents to make payments on both the principal of the undergraduate loan and interest accrued during postgraduate residency training. Currently, many residents consolidate their Canadian and provincial-territorial student loans into a private bank line-of-credit with a lower interest rate, or alternatively take part in a provincial-territorial loan-relief program during residency; these physicians would be ineligible for the new CSLP relief program. Consequently, the incentive to practice in a rural or remote community is considerably diminished.

It would be advantageous for the federal government to offer the loan and interest relief on the federal portion of the Canada Student Loan for medical trainees, as this would more effectively attract primary care physicians to rural and remote areas.

*Please note that at least one recommendation must be provided