

Vandana Shiva • Thomas Laird • George Leonard • Wendy Brawer • Jerry Brown

# W H O L E R E V I E W E A R T H

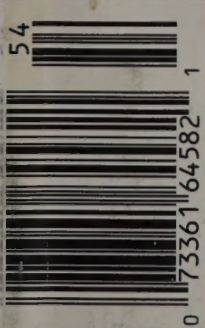
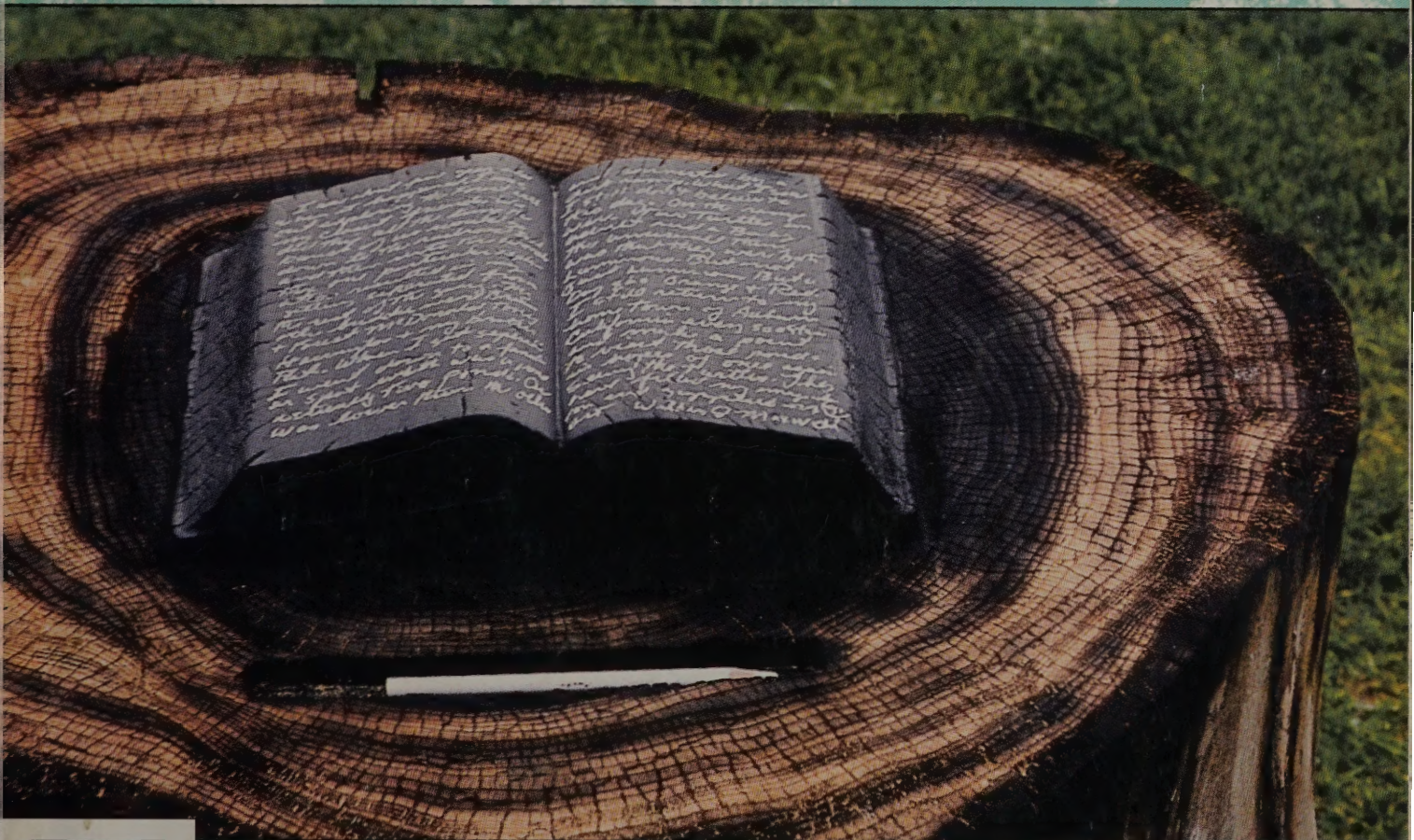
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The 1962 Battle Over  
Canadian Health Care

# LABOR PAINS



BY STEVEN A. LYONS

**I** WAS LESS THAN sixty seconds into my interview with Dr. Barootes and things were not going well. People familiar with my subject's disposition had warned me to expect a less-than-warm reception. They were optimistic.

*Steve Lyons's friend Tricia doesn't have health insurance, but she does have breast cancer. Her options are 1) to spend herself into poverty so she'll be eligible for Medicaid or 2) to forego treatment and die. Steve's wife, a geriatric physician, works with old people of low income who, for one reason or another, don't qualify for Medicare or Medicaid.*

—Ruth Kissane

The doctor was immediately suspicious of an American interested in the health policy opinions of a seventy-six-year-old urologist from Saskatchewan. Things turned from bad to worse:

"And what is *your* position on health care reform?" he inquired.

"Well, I'm trying to write an objective article."

"That . . . is . . . *not* . . . what . . . I . . . asked," he growled.

**T**HE LAST US CONGRESS KILLED GOVERNMENT-LED HEALTH CARE reform out of fear that it would interfere with the patient-doctor relationship, increase bureaucratic overhead, limit patients' choice of doctors, and ultimately lead to rationing of health care.

We are spiraling toward the Orwellian form of health care envisioned by Congress. But Big Brother is not the government. Rather, as huge managed-care corporations control larger and larger portions of the health delivery system, profit, not quality patient care, is driving the health care industry. Every fear that the 103rd Congress had of a big government health insurance program is coming true, thanks to big private health insurance companies.

Lawmakers were concerned that the Clinton health care plan would limit our choice of doctors. However, all managed-care programs limit the patient's choice of doctor to providers that are employed by or approved by the insurance company.



One of many demonstrations in protest of the new government health insurance program. Regina, Saskatchewan, July 11, 1962 — ten days into the doctors' strike.

All photos appear courtesy of the Saskatchewan Archives Board.

People attacked the Clinton health plan as increasing government bureaucratic waste. However, in a recent study, the California Medical Association found that California's private health insurers squander eight times more in administrative overhead than the state-run health insurance program. Nationwide, about one of every four dollars is wasted on overhead by the private insurance industry.

The 103rd Congress feared that the Clinton health plan would intrude upon the doctor-patient relationship. But under private health insurance plans, three out of four doctors sign contracts surrendering their medical decisions to insurance company oversight. One large company's managed-care plan prohibits patients from calling their doctors directly. Instead, the employee must call an insurance company representative, who in turn calls the doctor.

People feared that government health insurance would lead to rationing of health care. Now, under private health insurance, hospitals are discharging patients quicker and sicker to save money. With managed-care plans discharging mothers and their newborns as soon as eight hours after birth, legislators have had to intervene to force the insurers to cover at least forty-eight hours of postnatal care.

In 1993, when Representative Jim McDermott and Senator Paul Wellstone proposed a Canadian-style single-payer health care program for the United States, it was considered politically impossible. The proposal never made it to the House floor, even though the Congressional Budget Office estimated the system would save \$175 billion annually by the year 2003, completely eclipsing the savings of any other health reform proposal.

Since managed care is rationing health care, interfering in the relationship between doctors and patients, and burying everyone in paperwork, we might ask

**C**ANADIANS have lived with their version of health care reform since 1962, when **the Canadian government began providing cradle-to-grave health coverage** for all their citizens.

**B**Y 1951 Saskatchewan boasted more hospitals than the much more heavily populated province of Ontario. Yet despite innovations in treatment and coverage, **in 1960 less than half the population had health insurance.**

an innocent question: "Tell us again why we should avoid a single-payer system?"

Canadians have lived with their version of health care reform since 1962, when the Canadian government began providing cradle-to-grave health coverage for all its citizens. On the surface it seems it can't be any worse than the direction our system is headed.

But opponents to the single-payer system contend that Canada rations health care and provides a lower standard of care, all due to its tax-financed health system. I decided to search for the tender underbelly of the Canadian system, to determine who was right.

**M**Y SEARCH FOR the dark side of the Canadian Medicare system (as it is called) quickly led me to one man. If the Canadian system has any shortcomings, Dr. Efstathios W. "Staff" Barootes would be more than happy to expose them. Back in the early 1960s, Barootes vigorously crusaded against the implementation of government-sponsored health insurance in Canada. Canada's single-payer health care system began in Saskatchewan. Barootes was vice president, and later president, of the Saskatchewan College of Physicians and Surgeons, a group determined to prevent any program that involved tax-financed health care for the entire population. He was president of GMS, the doctor-sponsored private medical insurance plan in Saskatchewan. In a 1960 televised health care debate with the premier of Saskatchewan, Barootes argued against the proposed health insurance scheme. In 1962, in an emotionally charged speech to a mass meeting of doctors, he received the loudest applause when he proclaimed that "Never . . . has there been such legislation reversing the civil rights and liberties of citizens." And Barootes served as Saskatchewan's conservative party senator in Ottawa from 1984 until retiring last year. Now, if anyone in Canada could expose the tender underbelly of the Canadian health care system, Dr. Staff Barootes could.

I reached Dr. Barootes by phone at the headquarters of the conservative party in Regina, the capital of the province of Saskatchewan. I had my questions neatly typed up and numbered. After his initial interrogation of me, he launched into a two-hour monologue, making it clear he had little interest in me or my questions. He had a story to tell, and by God, he was going to tell it his way, on his terms.

"Health is a state's right here; it's a provincial responsibility," began Dr. Barootes. "The federal government can only influence provincial programs indirectly, by saying if you follow certain standards that we set, then we will share your health care costs. This is different from the US, where your health programs are national and state governments are administrators of your national programs."

Because health care is the responsibility of each province, it is not surprising that the current Canadian system evolved province by province. Even today, there is no "Canadian" health care system. There are provincial health care systems. However, they all have certain similarities.

Saskatchewan has a long history of health care innovation. At the beginning of this century, when many lives were being lost to tuberculosis, the people of Saskatchewan joined with doctors to form "Anti-Tuberculosis Leagues." With vans roaming the province, Saskatchewan provided free testing, prevention and treatment. Later, Saskatchewan provided free cancer treatment centers. The world's first Betatron unit and the first Cobalt-60 treatments were developed in Saskatchewan.

Saskatchewan is about the size of Texas but has about one-fifteenth its population. Because of its harsh climate (the province is north of Montana and North Dakota), rural isolation, and dependence upon a one-crop, boom-or-bust economy, the

people of Saskatchewan have survived by helping each other through collective and cooperative action. After World War II, this spirit of cooperation was reflected in the conversion of deserted military air fields into air ambulance stations to serve the health needs of isolated rural farmers. Similarly, locally funded community hospitals sprouted up to serve the rural population. By 1951 Saskatchewan boasted more hospitals than the much more heavily populated province of Ontario. Yet despite innovations in treatment and coverage, in 1960 less than half the population had health insurance.

Onto this scene strode Tommy Douglas, the charismatic and colorful premier of Saskatchewan from 1944 to 1962.

"Douglas really should be regarded as the father of health care in Canada, because what he set up was copied by the other provinces," continues Dr. Barootes. "Tommy Douglas was a jaunty Baptist minister who left the ministry for politics. He had osteomyelitis as a young man, and had required many operations on his leg, which were done through the charity of doctors. He was not very well off, he was a Scottish immigrant. He swore all his life that whenever he could, if he ever had the power, he would make health care as available to the people of Canada as education. That was his objective and he never deviated from it."

By the 1960 provincial elections, Douglas was ready to act on his vision of universal, comprehensive, publicly administered health insurance. And the doctors of the province were equally ready to oppose him. Soon the only issue of the campaign was health care reform. But Douglas's party, the Co-operative Commonwealth Federation (CCF) was ultimately victorious, winning thirty-eight of the fifty-four seats in the legislature. Douglas took that as a mandate, and vigorously began to orchestrate his health care plan. This incited the tightly organized doctors to attack the plan with even greater passion. And at the forefront of the fight was Dr. E.W. Barootes.

"At first people were apathetic, it was just another extension of health care services that Mr. Douglas had always preached about, until the doctors got in the game," Barootes recalls. "We had never been in this game before. We were clumsy, awkward, we were highly rhetorical, we used all the antics of bad politicians: exaggeration, dire threats of what might happen.

"Our concern was that once the government took over physician care services . . . we would become technicians or tradesman being paid salaries by only one paymaster."

The opponents to implementation of Saskatchewan's health care system in the early sixties make last year's opposition to Clinton's attempt look tame by comparison. The insurance industry squashed US health care reform last year by exploiting the vision of a coldhearted, government-run bureaucracy. In Saskatchewan, the doctors appealed to a much more basic human instinct: survival.

**A**S JULY 1, 1962 — the day for implementing the plan — approached, doctors put up large signs in their offices:

TO OUR PATIENTS:

This Office Will Be Closed After July 1st, 1962. We Do Not Intend To Carry On Practice Under The Saskatchewan Medical Care Insurance Act.

This threat was not made by any lunatic fringe. Nearly every Saskatchewan doctor announced his or her intention to leave the province, or at minimum to withhold services. And they made sure their patients knew of their intentions.

The implication was not lost on their patients. Once public health insurance was enacted, they would no longer receive health care.



A beautiful day for hanging effigies. The signs say "Down With Dictators," "Doctors Are Vital — Is [Premier Woodrow] Lloyd?" and "Weyburn Objects!"

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Barootes: "We had public debates on television, we ran a propaganda campaign, and gradually people caught on to this, eh? The citizens formed 'Keep Our Doctors' committees. These sprouted up like mushrooms."

The slogan of these committees was "Political Medicine is Bad Medicine." Keep Our Doctors (KOD) committees focused their wrath on the government and anyone associated with the government's plan. The combination of the doctors' and the KOD committees' campaign raised public emotion to the boiling point.

Operating out of a hotel in Regina, one group had a twenty-four-hour telephone bank calling area citizens. With a recording of a crying baby in the background, a voice on the phone pleaded, "Help me, help me. My baby is dying and there is no doctor to help it." Government officials received threatening phone calls around the clock. The primary medical building in the capital was put up for sale: once health reform was enacted, all the doctors would be gone. The chairman of the government's Medical Care Insurance Commission had his family under twenty-four-hour security. His wife was pregnant but doctors refused to attend to her. The premier's house was painted with graffiti, and a caller threatened to harm his children unless the government changed course. (The premier happened to live half a block from Barootes. The threatening caller was informed "you can find them down the street, playing with the Barootes children!")

What the government called "universal coverage" the doctors called "compulsory state medicine." The doctors in Saskatchewan received publicity kits with the reminder: "The concept of universal medical coverage is not new and the approach by government to seek support is just the same as when first enunciated by Karl Marx in his Communistic Theories..." The kit contained a "personal letter which you may wish to send to your patients." The canned letter informed the patient that the doctor's office would be closed until "the government will allow me to treat you, as I have in the past, without political interference or control."

"We used threats and so on, which incidentally worked very well," Barootes recalls. "The KOD was formed because so many doctors said they would leave. You're a mother with kids or you're pregnant and expecting your doctor to deliver you, and all of a sudden the doctor you've been attending with for years says 'I'm leaving.' . . . Another fear tactic we used, and I may have been part and parcel of it, was directed at the Roman Catholics and the Evangelicals. We said 'The way this act is structured, the government could order us to do sterilizations and abortions.' We made a political cartoon about it."

**J**ULY 1 came and, except for a few emergency centers, doctors withdrew their services.

Allan Blakeney, later to become the premier of Saskatchewan, was a minister in the cabinet at the time: "I have never seen anything approaching this level of public hysteria about an issue," he remembers. "It lasted from late June to mid-July. People were enormously upset. The hysteria was further whipped up by our newspapers. At that moment in time I would guess that 75 percent of the people would have wanted us to suspend the Medical Care Act. We felt we had a mandate to let the people look at it in operation, so we went forward."

Going forward was certainly an act of courage. Six days after the strike began, the Keep Our Doctors committees held a rally. Father Murray, a seventy-year-old priest, gave the most sensational of the speeches. "There has been death, there will be violence, and there could be bloodshed," he cried. Tearing off his coat and clerical collar, Father Murray shouted, "You Communists may think we're naive and hollow-chested, but we gave a hundred thousand boys fighting for the freedom you're fighting against." Now in full stride, he stormed, "Tell those bloody Commies to go to hell when it comes to Canada. I loathe the welfare state

and I love the free-swinging freedom." The priest warned: "I wouldn't be surprised if someone put a bullet in me — I am as likely to get it as Woodrow Lloyd." (Lloyd was the new premier. Tommy Douglas had left Saskatchewan to join the party in Ottawa.)

On July 11, thousands of demonstrators marched on the legislature, carrying effigies of Premier Lloyd and Tommy Douglas, with the caption "Down With Dictators."

Meanwhile the government had initiated an emergency airlift of doctors from England to mitigate the crisis. In response, the acting chairman of the KOD wrote to Premier Lloyd "... We do not want doctors you and your commission can find in distant lands. We do not want card-carrying Communist doctors. ..." One KOD committee sent a telegram to the United Nations, concluding: "Our freedom is at stake. Urgent."

The strong emotions ran both ways. Barootes and his fellow doctors incurred the wrath of the government sympathizers. "We had eggs thrown at our windows, our windows smashed, car tires slashed," Barootes remembers. "I sent my wife and kids about sixty miles away to some friends and they stayed there during that period. Doctors had distinctive licenses: you could recognize their cars. Many of our wives were run off the road. It was frightful.

"Premier Lloyd was threatened, his family was threatened, we were threatened ... those were touchy times."

By the third week of the strike, the tide was shifting. The public began to resent the doctors as well as the government. The doctors remaining in Saskatchewan saw outside doctors taking their place and threatening their livelihood. Both sides were wearying. The government agreed to delete some of the more offensive language from the Insurance Act. The doctors relaxed their demands on the government. Instead of completely abolishing the health insurance act, now they were calling for the right to work outside the act and the right for patients to receive payments from health insurance agencies (which were sponsored by doctors). These agencies would then bill the government. The government agreed. By July 23 the strike was officially declared over.

The scars left by the health reform struggle cost the party in power the 1964 election. The Co-operative Commonwealth Party did not regain power until 1971.

**N**ow the dust has settled. Despite the grueling battle led by Dr. Barootes, he has had to live with and practice under the Medical Care Insurance Act for thirty-three years. Did the nightmare predicted by Dr. Barootes, his fellow physicians, and the Keep Our Doctors committees ever materialize?

"Most of the things that we threatened would happen have not happened," admits Barootes. "They have never interfered with the College of Physicians and Surgeons. Free choice of doctors remains. Do patients still have a concern about their doctor, do they still have respect for their doctors? Yes. ... One of the concerns we had was that people's loyalty would transfer from the physician, who is providing care, to the government, which is paying for it. That has not happened," the champion of the opposition observes.



Dr. Staff Barootes (left) and Premier Tommy Douglas (right) argue the issue of a Saskatchewan Medical Care Insurance Act in a 1960 televised debate.

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**T**ODAY I support the universal health care program we have here. **Our people are satisfied with it.** Nobody that I know would be able to change it without a cataclysmic debate."



Dr. Efstathios Barootes in 1970.

"Between us hotheads who sat on the Medical Information Office committee (the doctors' propaganda arm) and the public relations people we had, we would dream up the most god-awful things to say. The cartoons and things we put out were, well, immoderate. Statements from the other side were irrational as well.

"With all its warts and all its problems (and there are plenty of problems), universality, comprehensive benefits, accessibility, public administration, and portability remain the principals of the Canada Health Act, by which the provinces can receive money. I'm a little prejudiced, you know. I will tell you that today I support the universal health care program we have here. Our people are satisfied with it. Nobody that I know would be able to change it without a cataclysmic debate."

Should a similar system be implemented in the US, a waitress would have the same health insurance as a governor. Conversely, the governor would have the same insurance as the waitress. We would all be in it together. As premier of Saskatchewan from 1971 to 1982, Allan Blakeney was Saskatchewan's equivalent of our governor. Was he satisfied receiving the same quality of care as a car mechanic?

"Yes," Blakeney readily states. "I was quite happy with the level of medical care I received and I'm sure the mechanic got the same level of care. I never felt the need for additional medical insurance for my family or me."

Does the Canadian government insurance commission micro-manage the doctors' decisions? "No," says Dr. Barootes plainly. "There has been no interference in the decisionmaking that goes on in a medical office or hospital between a doctor and his patient. We said there would be. Of course we threatened that. That was our big fear, that they would be telling us what to do. There is no intervention between an individual doctor with his individual patient, determining between them what they wish to have done. So we were wrong on that and I admit that.

"While the government does not interfere with my judgment per se, there is intervention in another way," Barootes continues, "and that is in the rationing of health services. As costs mount, the public purse can't support all of the services that are demanded or required or wanted."

Ah, the tender underbelly begins to be exposed. Dr. Barootes readily points to the source of Canada's financial problem. "There may be an element of overservicing by doctors, there may be an element of overutilization by patients."

With I-told-you-so glee, Dr. Barootes says, "We wanted co-payments. They did not implement that, and that was the one prediction of ours that came true, that costs would rise astronomically and that the government would cut back or ration services. We said that costs would rise unless there were brakes put on it, such as deterrent fees."

But while Barootes describes Canada's health care costs as rising "astronomically," Canada spends only two dollars per person for every three dollars per person that we spend on health care. Yet their life expectancy exceeds ours and their infant mortality rate is below ours.

So now, with over thirty years of experience with the Canadian health care system, I try to coax the doctor-turned-senator to offer words of wisdom to us Americans as we continue to struggle with our health care system. He'll have none of it.

"Senator Metzenbaum came up here and so did young Kennedy, I forget his name..." "Joe?" I offer. "No, no, the young one," he exclaims, frustrated. Of course "Joe Kennedy" to him is JFK's father. Poking around the family tree, I hazard, "Ted?" "Ted, that's it," he says, relieved. "They came up here and wanted me to



go see your new lady president and talk to her about health care. I have not gone down, although invited. I think it's presumptuous of me to say to Americans, please do this or please do that, it works well."

Still trying to appeal to the elder statesman in him, I try a different approach. "Speaking philosophically, as a former senator in the conservative party, what is the conservative perspective on government-sponsored health care?" This gets the desired response.

"What kind of coverage do I, as a conservative, fear? I fear coverage that pays from the first dollar on. That will ultimately mean that brakes must be put on the services. You need co-payments.

"Secondly, be certain that you have at least catastrophic coverage, so when a breadwinner or homemaker has to go into the hospital, with a protracted serious illness like cancer, some kind of catastrophic coverage is available to enable that family to survive that tragedy. We don't have that now. Let's say the husband and wife are both injured in a car accident and are in the hospital for maybe three months. What are you going to do about that household? They've lost their salary. They have payments to make, they have kids to feed. Some kind of catastrophic coverage is needed.

"Ever read Barry Goldwater's book, *The Conscience of a Conservative*? Conservatives with a conscience want catastrophic coverage for families, they want health insurance for all, make sure everybody has it, that there are no cracks in the floor that people fall through. And make sure it can't be cheated on. Not some unemployment insurance type of thing.

"And finally, if you do introduce, say, chiropractic and drugs and so on, for God's sake keep the funds separate from your basic services such as hospital, lab, x-ray, and doctor services. Compartmentalize that. Those dollars should be squirreled away from these other programs that are added and deleted at the whim of some politician. Don't let these programs that come and go encroach on the core services. The dollars that you collect through premiums and however else you do it, earmark them for basic services and make them sacrosanct so nobody can poach on it."

So, if we were to adopt a similar health care system here, what might Bob Dole and other vocal opponents to comprehensive health care reform be saying in the year 2025, thirty years after implementation of the plan?

Dr. Barootes observes, "Today a politician in Saskatchewan or in Canada is more likely to get away with canceling Christmas than he is with canceling Canada's health insurance program."

"Thirty years ago, when you were describing the Saskatchewan Medical Insurance Act as 'legislation reversing the civil rights and liberties of citizens,' did you ever think you would hear yourself saying that?"

"At that time I'd rather have cut my arm off." 🐼

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**C**ONSERVATIVES with a conscience want catastrophic coverage for families, they want health insurance for all, **make sure everybody has it, that there are no cracks in the floor that people fall through.**

Steve Lyons recently published a book and Windows software combination on homebuying. Homebuyer is available in bookstores nationwide (from Stratosphere Publishing). He holds a degree in electrical engineering from UC Berkeley.