



Communiqué to First Nations Communities

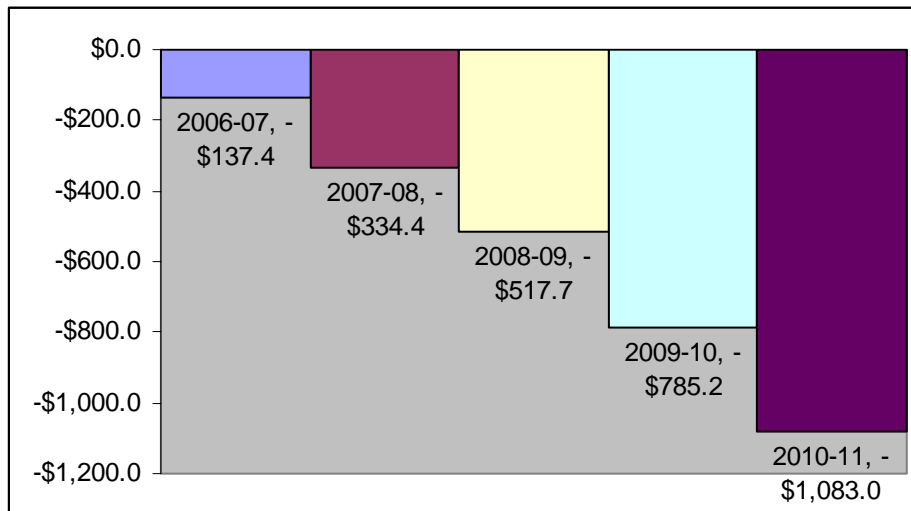
Assembly of First Nations Health and Social Secretariat
Feb. 24, 2006

To: *All First Nations Chiefs, Health Directors, and Health Technicians*

Re: **ADVISORY – Unless Kelowna Commitments are Honoured, AFN Forecasts Health Funding Shortfall will Reach \$2.85 Billion for First Nations over 5 Years**

Unless new investments announced at the First Ministers Meeting (FMM) on November 25, 2005, are honoured, the Assembly of First Nations Health Secretariat estimates a funding shortfall of approximately **\$2.85 billion** over the next five years in the national budget of the First Nations and Inuit Health Branch (FNIHB) of Health Canada.

FNIHB Funding Shortfalls in \$ Millions



These shortfalls include a total of about \$269 million in FNIHB funding claw-backs announced in the February 2005 Budget. Even if the \$870 million announced during the FMM was secured, shortfalls may still approach \$2.031 billion over five years.

With a growing population – approximately 130,000 children under the age of 9 – along with increasing dental and pharmacy needs, First Nations children, adults, and elders would face an uphill battle for accessing basic health care needs.

As a result, additional cost containment measures, which would likely be imposed by the federal government on First Nations' entitled Non-Insured Health Benefits (NIHB), would represent, in our view, a risk to patient safety and a violation of First Nations' Treaty and Inherent rights.

With over 30% of our communities located more than 90 kilometers from a physician, it is common for First Nations to travel long distances to receive basic health care, including dental services, dialysis, mammography, chemotherapy and mental health.

Not only do First Nations have to get pre-approval to receive support for transportation, dental, vision and other benefits, but more and more policy restrictions mean more frequent denials. From 2000 to 2004, medical transportation funding grew by only 3.1%, which is well below what would be expected from a growing population, not to mention inflation rates.

The latest fiscal update provided by Health Canada on the NIHB Program demonstrates the negative impacts of current cost containment measures on First Nations' access to services. The NIHB 2005-06 projected annual growth is just over 50% of the need estimated by AFN (6.3% vs. 10.8%). More specifically, the actual growth is projected at 58% of the need in pharmacy and 43% in medical transportation. This shows that medical transportation is most likely the area with the most artificial constraints on usage imposed by the NIHB Program.

The **First Nations Action Plan on NIHB**, published by the AFN in April 2005 (see http://www.afn.ca/cmslib/general/NIHB%20Action%20Plan_Fe.pdf), reveals serious issues with the federal program, including:

- dentists, orthodontists and even pharmacists forcing First Nations to pay up-front for services because of the federal red-tape involved in obtaining payment;
- frequent cases of discriminatory practices;
- discretionary powers of decision-making given to federal bureaucrats in regional and national offices through a pre-approval and three-tiered appeals process;
- a 39.7% annual growth in federal headquarters administration expenses, while those communities that manage medical transportation have not seen any increased funding or capacity building in over 10 years;
- Per mileage transportation reimbursement which has been capped for 8 years and is as low as \$0.06 per km in some regions despite sky-rocketing fuel costs;
- a lack of coordination between federally-funded NIHB and community health programs (e.g. chronic disease management).

To minimize risks to patient safety, the AFN calls upon the federal government to:

- 1. Ensure the sustainability of the program and abandon its payer-of-last resort policy;**
- 2. Streamline its administrative processes;**
- 3. Place decision-making in the hands of qualified health practitioners, who will make decisions based upon medical necessities;**
- 4. Work in partnership with First Nations on a Nation to Nation basis to establish policies that are based on health needs in order to fulfill its obligations under First Nations' Treaty and Inherent Rights.**

What can you do as First Nations or as individual First Nations citizens?

- **Write to the federal Minister of Health, the Honourable Tony Clement, Brooke Claxton Bldng, Tunney's Pasture, P.L. 0906C, Ottawa, ON K1A 0K9;**
- **Write to the Parliamentary Secretary for Health, Steven Fletcher, Room 103-S, Centre Block, House of Commons, Ottawa, ON K1A 0A6;**
- **Write to your Provincial/Territorial Premier who supported the First Nations Framework in the Blueprint on Aboriginal Health**
(<http://www.afn.ca/cmslib/general/AgendaRestoringImprovingFNsHealth.pdf>), tabled at the First Ministers Meeting in Kelowna on November 25, 2005.

For more information, please contact Bryan Hendry, AFN Health Communications Officer at: 1-866-869-6789, ext. 229 or bhendry@afn.ca