March 15, 2016

Dear [s.40(1)]

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act [Our File #: HCS-023-2016]

On February 16, 2016, the Department of Health and Community Services (the Department) received your request for access to the following records/information:

“Abortion records from 1988-1998 including: correspondence between public officials and Dr. Henry Morgentaler; department statistics on provincial abortions in and out of province, as well as information about funding costs; intergovernmental correspondence and reports regarding Newfoundland’s position on abortion clinics; any record outlining governmental policies on abortion; information regarding hospitals’ abortion policies in Newfoundland.”

You furthered refined this request to include any records from 1988-Present regarding correspondence with the Morgentaler Clinic. The Department has reviewed your request in the context of the Access to Information and Protection of Privacy Act and is pleased to inform you that a decision has been made to provide access to the requested information. In accordance with your request for a copy of the records, the appropriate copies have been enclosed.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Office of Public Engagement’s website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have any further questions, please contact the undersigned by telephone at 709-729-7007 or by email at angelapower@gov.nl.ca.

Sincerely,

Angela Power
ATIPP Coordinator
I am writing to you to request an increase in the amount of the facility fee of $475.00 that has been paid to the Clinic, by the province of Newfoundland and Labrador, since January 1, 1998.

The Morgentaler Clinic provides high quality, confidential and caring services for women living in Newfoundland and Labrador who are seeking abortions. Women receive a personal and comprehensive service including counselling and health care from a well-trained team of professionals within their own community. The Clinic also provides services to women who are uninsured with MCP, many of whom are in vulnerable circumstances and unable to pay. The complication rates and follow-up costs are much lower for women seen by our Clinic.

**Patient volume**
Women in Newfoundland value and utilize the services of the clinic. Each year the Clinic performs between 60% and 75% of all abortions in the province. Over the past ten years, the number of abortion performed has remained the same. It is not expected that the numbers will increase in the future. This means that the cost to the government continues to be predictable and controlled.

**Clinic provides safe and efficient services**
The health services provided to women at the Clinic are excellent. A 2001 study conducted by the College of Physicians and Surgeons of Ontario has shown that the complication rates and follow up costs are much lower for women seen by the Clinic than for those abortions performed in hospitals. The Clinic is also efficient and the costs of each abortion are less than hospital abortions. Because patients are seen on an out-patient basis, we save the cost of hospital inpatient beds. However, not surprisingly, the Clinic's costs have increased over the past eight years due to several factors.
Clinic costs have increased

The high quality of care is the product of the Clinic’s professionals who provide health care services and counselling, as well as the administrative staff to support the Clinic. To maintain the high quality of care to patients, the Clinic must attract and retain qualified and dependable professional staff. We must ensure that their remuneration is competitive. Since 1988, our salary and benefit costs have increased by 80%, an average of 10% per year.

In 2003 it became necessary to obtain professional liability insurance as this was no longer provided by the Canadian Medical Association insurance plan for our Clinic. The annual premiums amount to $15,000, an increase of 24.8% over the costs for the base year.

Our other costs including heat, telephone, supplies and equipment have increased 77.9% over the same period. On average, there has been an annual increase of 9.7%.

Finally, for patients who are uninsured by the provincial MCP plan and who cannot afford to pay, the Clinic receives neither a payment from the patient, nor a facility fee payment from the province. About 10-15 patients fall into this category each year. Not only does the Clinic not receive any revenue for these services, but it also costs the Clinic $415.44 per person to provide this service. This represents an annual cost to the Clinic in excess of $5,000.

Cost Increase Comparisons

In comparing the increased costs of the Clinic between 1998 and to date, it is important to also consider the increased costs of comparable services. These include:

In 1998, when the facility fee was introduced, physicians were being paid at the rate of $85.50 for each abortion. Currently physicians are being paid $112.78 for each procedure. This represents an increase of 31.9% over the 8 years.

Another external measure is the Consumer Price Index (CPI). The CPI for Newfoundland and Labrador has moved from 108.2 at December 31, 1997 to 128.1 at December 31, 2005 - a change of 16.5% for this 8-year period. The February, 2006 CPI stands at 127.1 representing a further increase to 18.9%.

The factors that result in cost increases are the same factors that one would envisage to warrant an increase in the physician rates. However, the Clinic has not received any increase in the facility fee amount of $475.00 to compensate for the increased costs. The facility fee rate has been frozen since 1998.

As a result, the Clinic is now operating at a loss. The present financial situation cannot continue. The Clinic provides employment opportunities and a much needed service for women in the province.
If these health care services were being performed in a public hospital, the cost to the province would be substantially more. A study published in February 2006 in the Journal of Obstetrics and Gynecology of Canada set out that abortions performed in a clinic save the government $323 per patient. In Newfoundland, that savings is approximately $200,000 per year. The Clinic performs a valuable service for the women of Newfoundland and a service that is safer and more cost effective than those performed in a hospital.

Summary

The Clinic is providing a health care service mandated by the province and valued by the women of the province as shown by the high proportion who choose the clinic over hospital abortions. The Clinic should receive fair compensation for its services.

For the reasons outlined above, we request the following:

1. An immediate increase in the facility fee per patient from $475 to $625, the same percentage increase the government has paid to the physicians performing the service. This increase is less than the increase in the costs to the clinic over the same period. It is estimated that this would result in an increased cost to the government of $90,000.

2. An agreement that, in the future, the facility fee per patient will increase annually by the CPI to recognize the cost realities of the Clinic.

3. A retroactive adjustment to compensate for the intervening years 1998-2006 reflecting the CPI increases. This would amount to $41,842 for the ten year period.

The Morgentaler Clinic has demonstrated experience and capability to provide abortion services in a caring, supportive, professional and cost-effective manner with clear evidence of the support of women who have used its services. We wish to continue to work in a collaborative way with the province of Newfoundland and Labrador in helping to improve the health and well-being of women in the province.

We ask for an opportunity to discuss these important health care issues with you.

Yours truly,

Sharon Broughton R.N.
General Manager
Morgentaler Clinics
By Courier

Hon. Tom Osborne
Minister of Health and Community Services
Confederation Building
P. O. Box 8700
St. John's, Newfoundland
A1B 4J6

Dear Minister:

Re: The Morgentaler Clinic, St. John's

I am writing to you to request an increase in the amount of the facility fee of $475.00 that has been paid to the Clinic, by the province of Newfoundland and Labrador, since January 1, 1998.

The Morgentaler Clinic provides high quality, confidential and caring services for women living in Newfoundland and Labrador who are seeking abortions. Women receive a personal and comprehensive service including counselling and health care from a well-trained team of professionals within their own community. The Clinic also provides services to women who are uninsured with MCP, many of whom are in vulnerable circumstances and unable to pay. The complication rates and follow-up costs are much lower for women seen by our Clinic.

Patient volume
Women in Newfoundland value and utilize the services of the clinic. Each year the Clinic performs between 60% and 75% of all abortions in the province. Over the past ten years, the number of abortion performed has remained the same. It is not expected that the numbers will increase in the future. This means that the cost to the government continues to be predictable and controlled.

Clinic provides safe and efficient services
The health services provided to women at the Clinic are excellent. A 2001 study conducted by the College of Physicians and Surgeons of Ontario has shown that the complication rates and follow-up costs are much lower for women seen by the Clinic than for those abortions performed in hospitals. The Clinic is also efficient and the costs of each abortion are less than hospital abortions. Because patients are seen on an outpatient basis, we save the cost of hospital inpatient beds. However, not surprisingly, the Clinic's costs have increased over the past eight years due to several factors.
Clinic costs have increased

The high quality of care is the product of the Clinic’s professionals who provide health care services and counselling, as well as the administrative staff to support the Clinic. To maintain the high quality of care to patients, the Clinic must attract and retain qualified and dependable professional staff. We must ensure that their remuneration is competitive. Since 1988, our salary and benefit costs have increased by 80%, an average of 10% per year.

In 2003 it became necessary to obtain professional liability insurance as this was no longer provided by the Canadian Medical Association insurance plan for our Clinic. The annual premiums amount to $15,000, an increase of 24.8% over the costs for the base year.

Our other costs including heat, telephone, supplies and equipment have increased 77.9% over the same period. On average, there has been an annual increase of 9.7%.

Finally, for patients who are uninsured by the provincial MCP plan and who cannot afford to pay, the Clinic receives neither a payment from the patient, nor a facility fee payment from the province. About 10-15 patients fall into this category each year. Not only does the Clinic not receive any revenue for these services, but it also costs the Clinic $415.44 per person to provide this service. This represents an annual cost to the Clinic in excess of $5,000.

Cost Increase Comparisons

In comparing the increased costs of the Clinic between 1998 and to date, it is important to also consider the increased costs of comparable services. These include:

In 1998, when the facility fee was introduced, physicians were being paid at the rate of $85.50 for each abortion. Currently physicians are being paid $112.78 for each procedure. This represents an increase of 31.9% over the 8 years.

Another external measure is the Consumer Price Index (CPI). The CPI for Newfoundland and Labrador has moved from 108.2 at December 31, 1997 to 126.1 at December 31, 2005 - a change of 16.5% for this 8-year period. The February, 2006 CPI stands at 127.1 representing a further increase to 18.9%.

The factors that result in cost increases are the same factors that one would envisage to warrant an increase in the physician rates. However, the Clinic has not received any increase in the facility fee amount of $475.00 to compensate for the increased costs. The facility fee rate has been frozen since 1998.

As a result, the Clinic is now operating at a loss. The present financial situation cannot continue. The Clinic provides employment opportunities and a much needed service for women in the province.
If these health care services were being performed in a public hospital, the cost to the province would be substantially more. A study published in February 2006 in the Journal of Obstetrics and Gynecology of Canada set out that abortions performed in a clinic save the government $323 per patient. In Newfoundland, that savings is approximately $200,000 per year. The Clinic performs a valuable service for the women of Newfoundland and a service that is safer and more cost effective than those performed in a hospital.

Summary

The Clinic is providing a health care service mandated by the province and valued by the women of the province as shown by the high proportion who choose the clinic over hospital abortions. The Clinic should receive fair compensation for its services.

For the reasons outlined above, we request the following:

1. An immediate increase in the facility fee per patient from $475 to $625, the same percentage increase the government has paid to the physicians performing the service. This increase is less than the increase in the costs to the clinic over the same period. It is estimated that this would result in an increased cost to the government of $90,000.

2. An agreement that, in the future, the facility fee per patient will increase annually by the CPI to recognize the cost realities of the Clinic.

3. A retroactive adjustment to compensate for the intervening years 1998-2006 reflecting the CPI increases. This would amount to $41,842. for the ten year period.

The Morgentaler Clinic has demonstrated experience and capability to provide abortion services in a caring, supportive, professional and cost-effective manner with clear evidence of the support of women who have used its services. We wish to continue to work in a collaborative way with the province of Newfoundland and Labrador in helping to improve the health and well-being of women in the province.

We ask for an opportunity to discuss these important health care issues with you.

Yours truly,

Sharon Broughton R.N.
General Manager
Morgentaler Clinics
2nd Request

January 8, 2007

Hon. Tom Osborne
Minister of Health and Community Services
Confederation Building
P.O. Box 8700
St. John’s, Newfoundland
A1B 4J6

Re: The Morgentaler Clinic, St. John’s

Dear Minister,

I am writing to you again, in follow-up to our original letter (document attached) that was sent to your office in May of 2006 for which we have yet to receive a response to.

In our letter of May 2006 we provided you with accurate and detailed information about the first-rate medical services that the Morgentaler Clinic provides to the women of Newfoundland, as well as the substantial savings, approximately $323 per patient according to the Journal of Obstetrics and Gynecology of Canada, to the Government of Newfoundland by delivering a service that is safer and more cost effective than those performed in hospital.

Our reasonable request to have an immediate increase in the facility fee per patient from $475 to $625; which is the same percentage increase the government has paid to the physicians performing this service is based on several key factors which are clearly identified and documented within our original letter of May 2006.

As pointed out in that letter, we have not had any increase in funding since January 1st, 1998 even though during that time period the government has increased the payment to doctors from $85.50 to $112.78 for each procedure, coupled with the Consumer Price Index for Newfoundland and Labrador which has seen a 18.9% increase and further cost increases in the form of professional staffing salaries, liability insurance costs and the general rising costs of building maintenance, heating, telephone, supplies and equipment which has seen an annual increase of 9.7%.
Most recently the nursing union has reached an agreement for a 3% wage increase for 2006 and a further increase of 3% which will be effective July 2007 and if we wish to retain and recruit professional and capable nursing staff, than we will have to offer competitive salaries in order to maintain and preserve the high quality care we provide to our patients.

Over the years the Morgentaler Clinic has provided a valuable, proficient and cost-effective service, not only to the women of Newfoundland but also to the government of that province and we wish to continue to work together in a collaborative manner in order to continue to serve the province of Newfoundland by helping to improve the health and well-being of women in that province.

Sincerely,

[Signature]

Sharon Broughton R.N.
General Manager
Ms. Sharon Broughton, R.N.
General Manager
Morgentaler Clinics
727 Hillsdale Avenue East
Toronto, Ontario
M4S 1V4

Dear Ms. Broughton:

Thank you for your letters which we received in May 2006 and January 8, 2007 to my predecessor regarding an increase in the facility fee per patient to your Clinic. Please be advised the Department will consider your request during the 2007-2008 budget preparation process. I will advise you further of the outcome once Government announces its 2007 Budget.

Sincerely,

ROSS WISEMAN, MHA
Trinity North District
Minister
Re: Increased Facility Fee for Morgenthal Clinic

The Morgenthal Clinic has asked the Department to increase their facility fee from the current rate of $4.75 per patient to $6.25. They have calculated this increase based on the change in the GP fee for the same procedure from 85.50 to 112.78. The Clinic has not had an increase in their fee since 1998.

The requested fee is within the rate for day surgery procedures used in interprovincial Purchasing Units. I think this is a more valid comparator for institutional costs than changes in physician fees.

It is reasonable to believe that these costs have increased since 1998 as they have stated.

It would be useful to know the facility fee charged by Morgenthal Clinic in other provinces.

I don't support payment of a retrospective administered, I don't support paying the facility fee to the CPI. What if the increases more than the increase to the interprovincial fee?

(Drs. Fleming)
Morgentaler Clinic  
Unit 50 Hamlyn Road Plaza Suite 408  
St. John’s NL  
A1E 5X7  

Honorable Danny Williams  
Premier of Newfoundland and Labrador  
Confederation Building  
P.O. Box 8700  
St. John’s, NL  
A1B 4J6  

Re: The Morgentaler Clinic Facility Fee  

Premier Williams,  
I am writing you to request an increase in the facility fee paid to the clinic. In 1998 the province of Newfoundland and Labrador funded the clinic to the sum of $475.00 per patient. This fee has remained the same and I would like to explain the reasons the clinic is in need of increased funding.  
The Morgentaler Clinic provides high quality, confidential and caring service for women living in Newfoundland and Labrador who are seeking abortions. Prior to 1998, many women had to travel outside the province to seek abortion services as they were not able to get a timely appointment at the Health Sciences Centre and having to pay for an abortion at the Morgentaler Clinic was a huge financial burden. Although the hospital provides invaluable abortion services, they are often not able to accommodate all of the women who need abortions. The Morgentaler Clinic works quite well with the hospital and is in a position to take the extra workload off the hospital services. Each year the clinic performs between 60%-70% of all abortions in the province.  
The health services provided to women at the clinic are excellent. A 2001 study conducted by the College of Physicians and Surgeons of Ontario has shown that the complication rates and follow up costs are much lower for women seen in a clinic than for those abortions performed in hospitals. The clinic runs very efficiently and the costs of each abortion is less than hospital abortions. Patients are seen in a one-day outpatient basis, thereby saving the cost of hospital in patient beds. However, the clinic's costs have increased over the past eight years due to several factors.  

Clinic Costs have increased:  
The high quality of care offered at the Morgentaler Clinic is the product of the clinic’s professionals that provide health care services and counseling as well as the administrative staff to support the clinic. To maintain the high quality of care to patients,
the clinic must attract and retain qualified staff. We must ensure that their remuneration is competitive. Since 1998, our salary and benefit costs have increased by 80%, an average of 10% per year.

In 2003 it became necessary to obtain professional liability insurance, as the Canadian Medical Protective Association no longer provided this. The annual premiums amount to $15,000.00, an increase of 24.8% over the costs for the base year. Other costs including heat, telephone, supplies and equipment have increased 77.9% over the same period. On average there has been an annual increase of 9.7%.

Each year approximately ten patients have an abortion at this clinic that are not covered by MCP. Women are never turned away because they cannot afford to pay or their MCP card is invalid for whatever reason. This represents an annual loss to the clinic of approximately $5000.00.

Cost Increase Comparisons:

In comparing the increased costs of the clinic between 1998 and to date, it is important to also consider the increased costs of comparable services. These include:
- In 1998, when the facility fee was introduced, physicians were being paid at the rate of $85.50 for each abortion. Currently physicians are being paid $112.78 for each procedure. This represents an increase of 31.9% over the past 8 years.
- Another external measure is the Consumer Price Index (CPI). The CPI for Newfoundland and Labrador has moved from 108.2 at December 31, 1997 to 126.1 at December 31, 2005—a change of 16.5% for this 8-year period. The February 2006 CPI stands at 127.1 representing a further increase to 18.9%.
- The factors that result in cost increases are the same factors that one would foresee to warrant an increase in the physician rates. However, the clinic has not received any increase in the facility fee amount of $475.00 to compensate for the increased costs. The facility fee rate has been frozen since 1998.

As a result the clinic is now operating at a loss. The present financial situation cannot continue. The clinic provides employment opportunities and a much-needed service for women in the province. If these health care services were being provided in a public hospital, the cost to the province would be substantially more. A study published in February 2006 in the Journal of Obstetrics and Gynecology of Canada set out the abortions performed in a clinic save the government $323 per patient. In Newfoundland and Labrador, the savings is approximately $200,000.00 per year. The clinic performs a valuable service for the women of Newfoundland and Labrador and a service that is more cost effective than those performed in a hospital.

For the reasons outlined above, we request the following:

1. An immediate increase in the facility fee per patient from $474 to $625, the same percentage increase the government has paid to the physicians performing the service. This increase is less than the increase in the costs to the clinic over the same period. It is estimated that this would result in an increased cost to the government of $90,000.00.

2. An agreement that, in the future, the facility fee per patient will increase annually by the CPI to recognize the cost realities of the clinic.
3. A retroactive adjustment to compensate for the intervening years 1998-2006 reflecting the CPI increases. This would amount to $41,842 for the ten-year period.

The Morgentaler Clinic has demonstrated experience and the capability to provide abortion services in a caring, supportive, professional and cost-effective manner with clear evidence of the support of women who have used its services. We wish to continue to work in a collaborative way with the province of Newfoundland and Labrador in helping to improve the health and well being of women in the province.

As premier you have demonstrated by your words and actions that you fully respect the women of this province and care about the health services provided to them. I am appealing to your sense of fairness and justice in dealing with this request made by the Morgentaler Clinic so that women can avail of the reproductive services they require within their own community.

I ask for an opportunity to discuss these important health care issues with you.

Sincerely,

[Signature]
Mádeline Chaytor, RN.
Clinic Manager

Cc: Honorable Ross Wiseman
Minister of Health and Community Services
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- PREPARE DRAFT RESPONSE FOR PREMIER’S SIGNATURE
- PREPARE DRAFT RESPONSE FROM MINISTER/DEPARTMENT ON BEHALF OF THE PREMIER
- PROVIDE BACKGROUND NOTES TO OUR OFFICE
- PREPARE BRIEFING NOTE
- TAKE APPROPRIATE ACTION AND PROVIDE UPDATE ON ACTIONS TAKEN
- NOTE AND FILE
- FOR YOUR INFORMATION
- DISTRIBUTE AS APPROPRIATE
- INVESTIGATE AND REPORT TO ME
- PLEASE PROVIDE UPDATE ON STATUS OF CORRESPONDENCE
- PLEASE TRANSLATE AND RETURN TO PREMIER’S OFFICE
- PLEASE COORDINATE A RESPONSE BETWEEN DEPARTMENTS FOR THE PREMIER’S SIGNATURE

Please send email responses to denisepayne@gov.nl.ca

Thanks,
Denise

This facsimile message is privileged and contains confidential information intended only for the person(s) named above. Any other distribution, copying or disclosure is strictly prohibited. If you have received this in error, please notify the Office of the Premier immediately by telephone and return the original transmission by mail.
From: Paulette Gillis
To: Power, Yvonne A
Date: 2007-05-25 3:17:36 PM
Subject: Update on Morgentaler

Tony just spoke to Blair...the facility fee of $625 that they are requesting is reasonable as the day surgery rate charged through the Interprovincial Reciprocal Billing Agreement is $681. As such we believe their request should be granted except for the retroactivity. One option could be to pay back to April 1, 2007.

Enjoy your weekend!
June 14, 2007

Ross Wiseman, MHA
Trinity North District,
Minister
Department of Health and Community Services
P. O. Box 8700
St. John's, NL
A1B 4J6

Dear Mr. Wiseman:

Thank you for your letter of May 30, 2007 in which you indicate that the facility fee for our clinic in St. John's is being increased to $625 per patient effective April 1, 2007.

Ms. Madeline Chaytor, who is the Manager of the St. John's Morgentaler clinic, has always done her best to provide the highest quality of medical care to the women of Newfoundland, while also delivering good value and fiscal accountability to your government for the funding that we receive. We look forward to working together with you to serve the women of Newfoundland, and that we continue to build on our mutually beneficial relationship.

I am very appreciative of this positive step forward, and thank you for your response to our requests.

Yours sincerely,

Sharon Broughton R.N.
General Manager
416-932-0446, Ext 235
Honorable Danny Williams
Premier of Newfoundland and Labrador
Confederation Building
P.O. Box 8700
St. John’s, NL
A1B 4J6

Re: The Morgentaler Clinic Facility Fee

Premier Williams,

I am writing you to request an increase in the facility fee paid to the Morgentaler Clinic in St. John’s. Over the last two years, much has changed in the health care environment in our province and I would like to take this opportunity to explain the reasons the clinic is in need of increased funding.

Currently, the province of Newfoundland Labrador offers therapeutic abortions in two settings – the Health Sciences Centre and the Morgentaler Clinic, both in St. John’s. Although the hospital provides invaluable abortion services, they are not able to accommodate all of the women who need abortions. The Morgentaler Clinic works collaboratively with the hospital and performs the majority (60% – 70%) of therapeutic abortions in this province. In 2007 our clinic performed 582 procedures, in 2008 that number rose to 626, and this year, 2009, we are in line to do approximately 680 procedures.

The health services provided to women at the clinic are excellent. A 2001 study conducted by the College of Physicians and Surgeons of Ontario has shown that the complication rates and follow up costs are much lower for women seen in a clinic than for those abortions performed in hospitals. The clinic runs very efficiently and the costs for each abortion is less than that of hospital abortions.

Currently, women undergoing an abortion at the HSC, who are not in possession of a valid MCP card, are charged $896 + tax (just over $1000) for the procedure itself. They are also charged between $250 - $300 for ‘doctor’s fees’, leaving the woman with a bill of approximately $1300 for her procedure. It is unlikely that this fee truly recovers all monies spent to perform the procedure, as the hospital has a two-day process. On the
first day the woman must go through the pre-admission department and undergo insertion of laminaria in the cervix. This visit entails time spent with the doctor, nurses and clerical staff. On the second day, the day of the actual procedure, the woman must be brought into the OR, where the doctor and three nurses are present. All patients are given IV sedation and the procedure is performed. The OR must then be cleaned by assigned housecleaning staff. The cost of staff time is very significant, especially given the shortage of nursing staff, and the possibility of one or more nurses being called in for overtime. The use of OR time and Obs/Gyne staff, along with OR nurses and other support staff for the OR and Recovery Room, is quite costly.

At the Morgentaler Clinic, clients have same-day procedures, undergoing all services in that one visit. There are two OR nurses and a specially-trained General Practitioner present in the operating room, along with a pre- and post-operative nurse, and a counselor. The cost of human resources at our clinic is thus, significantly lower than that of the hospital service.

**Clinic Costs have increased:**

The high quality of care offered at the Morgentaler Clinic is the end product of the clinic's professional staff and their commitment to provide superior health care services and counseling, as well as the administrative staff members' dedication to supporting the clinic. To maintain the high quality of care to patients, the clinic must attract and retain qualified staff. Given the international nursing shortage, and the almost daily availability of overtime in the hospital environment, retaining nursing staff is a challenge for a private clinic. Because overtime is not offered, nor are any employee benefits, we must, at a minimum, ensure that remuneration is competitive. The most recent nursing contract offered a cumulative 21% raise, over the next three years, along with significant increases in charge pay and shift differentials. This raise to public sector nurses has put additional pressure on our clinic to raise our wages, or to risk losing our experienced, qualified nursing staff to other opportunities.

In addition to this, our practice, like that of hospital practice, has had to change to keep pace with quality improvement. No longer is all of our equipment able to be sterilized and reused. Several critical pieces of equipment are now only able to be purchased in disposable form. For example, all uterine sounds are now disposable, at a cost of $3.13 each, and all collection sets are now disposable, at a cost of $7.34 each. These two pieces alone increase the cost per procedure by $10.47 per case. This increase does not reflect the increase cost of medical gases, processing of medical waste, increase in delivery charges for supplies, increased electricity rates, increased telephone costs, etc.

In 2003 it became necessary to obtain professional liability insurance, as the Canadian Medical Protective Association no longer provided this. The annual premiums amount to $15,000.00, Commercial insurance costs an additional $3780.
Each year upwards to ten patients, who are not covered by MCP, have abortions at this clinic. Women are never turned away because they cannot afford to pay or their MCP card is invalid for whatever reason. This represents an annual loss to the clinic of approximately $7400.00.

In addition to this, MCP was, until recently, reimbursing us the amount of $118.49 for doctors fees per procedure. However, the most recent formulary, effective April 1, 2009, has seen that amount reduced back to $112.78 for OP’s performing abortion services. The amount reimbursed to OBS / GYNE performing the same procedure did not drop. This represents an additional loss of income of over $3800 in MCP payments per year.

As a result of the aforementioned increases in costs, the clinic is now seeking an increase in facility fee payments. The clinic provides employment opportunities and a much-needed service for women in the province. If these health care services were being provided in a public hospital, the cost to the province would be substantially more. Using their own figures, the HSC tries to recover approximately $1300 per procedure to offset their costs. The Morgentaler Clinic, on the other hand, is only being reimbursed $737.78 per procedure, $115.04 of which is going directly to the physician, representing 56% of the cost of the hospital total per procedure. While it remains doubtful that the hospital recovers all monies with this charge, our fees must cover the physician fees, as well as all operating costs. Using this data, if the costs for our 680 patients were transferred to the public health care system, it would cost the government of Newfoundland Labrador an additional $382,309.60 per year. The clinic performs a valuable service for the women of Newfoundland Labrador and a service that is more cost effective than those performed in a hospital.

For the reasons outlined above, we request the following:

1. An immediate increase in the facility fee per patient from $625 to $875. It is estimated that this would result in an increased cost to the government of $170,000 annually. This increase would offset the additional costs of salary increases and equipment increase only. Despite the increased cost to government, it still represents less than half the known cost of transferring the service to the hospital setting.

2. An agreement that, in the future, the facility fee per patient will increase annually by the CPI to recognize the cost realities of the clinic.

The Morgentaler Clinic has demonstrated experience and the capability to provide abortion services in a caring, supportive, professional and cost-effective manner with clear evidence of the support of women who have used its services. We wish to continue to work in a collaborative way with the province of Newfoundland Labrador in helping to improve the health and well being of women in the province.

As premier you have demonstrated by your words and actions that you fully respect the women of this province and care about the health services provided to them. I am therefore appealing to your sense of fairness and justice in dealing with this request made
by the Morgentaler Clinic, so that women can avail of the reproductive services they require within their own community.

I ask for an opportunity to discuss these important health care issues with you.

Sincerely,

[Signature]
Rolanda Ryan, RN, BN, MHSA
Clinic Manager

Cc: Honorable Paul Oram
Minister of Health and Community Services
From: Vokey, Sharon
Sent: October 7, 2009 2:33 PM
To: Power, Colleen
Subject: FW: electronic copy of letter sent on Sept 28/09 - In addition to Docket #32364
Attachments: Request for increase in fees, 2009.doc

For meeting requests
Sharon Vokey
Ministerial Liaison
Health & Community Services
Phone: (709) 729-2074
Fax: (709) 729-0121
shannvokey@gov.nl.ca

From: Premier,
Sent: October 7, 2009 2:22 PM
To: Vokey, Sharon
Subject: FW: electronic copy of letter sent on Sept 28/09 - In addition to Docket #32364

Hi Sharon,

Please see the following, in addition to Docket #2009-32364.

Thanks,
Jayla

Jayla Genge
Office of the Premier
Phone: (709) 729-1120
Fax: (709) 729-5875
JaylaGenge@gov.nl.ca

From: sjmc [mailto:sjmc@nf.aibn.com]
Sent: Wednesday, October 07, 2009 2:14 PM
To: Premier,
Cc: Williams, Danny
Subject: electronic copy of letter sent on Sept 28/09

Hello Premier Williams and future Minister of Health. Please find attached an electronic copy of the letter sent to you, via snail mail, on Sept 28, 2009, requesting a facility fee review for the Morgentaler Clinic.

I inadvertently omitted Ms. Arlene Leibovitch as a cc on the original document. This omission has been corrected on the electronic version.

I look forward to hearing from you in the near future re this request.

Sincerely,
Rolanda Ryan, RN, BN, MHSA
Clinic Manager, Morgentaler Clinic

07/10/2009
Ms. Rolanda Ryan
Morgentaler Clinic
Unit 50, Hamlyn Road Plaza, Suite 408
St. John’s, NL A1E 5X7

Dear Ms. Ryan:

Re: The Morgentaler Clinic Facility Fee

In response to your letter to the Premier dated September 28, 2009, regarding a proposed increase in the facility fee, the Department will be reviewing your request as part of the 2010-11 budget process. When a decision has been made, you will be notified accordingly.

Thank you for your letter. If you have any questions, please contact my office.

Yours sincerely,

Jerome P. Kennedy, Q.C.
MHA, Carbonear-Harbour Grace
Minister of Health and Community Services

cc: Wendy O’Keefe, Director, Financial Services
    Bev Griffiths, Director, Board Services
    Premier’s Office
April 23, 2010

Honourable Danny Williams
Premier of Newfoundland and Labrador
Confederation Building
P.O. Box 8700
St. John’s, NL A1B 4J6

Premier Williams:

Re: The Morgentaler Clinic, St. John’s, NL

I am writing to inform you of ongoing negotiations regarding a transfer of ownership of the Morgentaler Clinic in St. John’s to the current clinic manager, Ms. Rolanda Ryan. Subject to financing and certain closing conditions, the building and clinic operations will be sold to Ms. Ryan on or before June 30, 2010.

If the sale proceeds as planned, the clinic name will change but the clinic will continue to provide the same level of service and quality care to patients throughout the province. All staff (physicians, nurses, and counselors) intend to remain in place, and all current policies and procedures will remain in force.

We have yet to receive an answer to our letter of September 28, 2009 requesting an increase in the current facility fees. We received a letter in the fall of 2009 saying the issue would be addressed in the March 2010 budget but we are still awaiting a decision with respect to our request for increased facility fees.

Confirmation of continued government funding and future facility fee rates are crucial to the planned sale of the clinic. We therefore respectfully request a response to our letter referenced above.

Thank you in advance for your anticipated timely attention to this matter.

Sincerely,

Ms. Arlene Lebovitch
General Manager/CEO
Morgentaler Clinics of Canada

cc: Honorable Jerome Kennedy, Minister of Health and Community Services
    Ms. Rolanda Ryan
Ms. Arlene Leibovitch  
Morgentaler Clinic  
Unit 50 Hamlyn Road Plaza, Suite 408  
St. John’s, NL  
A1E 5X7

Dear Ms. Leibovitch:

I am replying to your correspondence of April 23, 2009 to the Honourable Danny Williams, Premier, in which you advise of negotiations regarding the transfer of ownership of the Morgentaler Clinic in St. John’s to Ms. Rolanda Ryan. I note your desire to ensure that all outstanding finances are in order before the end of June 2010. In an effort to address this issue, we have completed an analysis for the request that Ms. Ryan submitted to the Premier on September 28, 2009.

Subsequent to the analysis of your proposal in which you advised of increases in patient utilization, staffing compensation, equipment costs due to reprocessing policy and insurance premiums, I am pleased to advise that the per patient fee increase proposed has been approved. Effective April 1, 2010, the patient fee is increased from $625.00 to $875.00 per person. This will result in an estimated annual increase to the Morgentaler Clinic of $170,000.

With respect to your request to link future rate increases to CPI, the Department does not approve this request. If the clinic feels a rate increase is warranted in the future, a request should be brought forward to the Department for consideration during Government’s annual budget process.

I would like to thank you for the high quality of care that you continue to provide to the people of this province in the area of therapeutic abortions. I wish Ms. Ryan well as she moves forward with ownership of the Morgentaler Clinic in St. John’s.

Sincerely,

Jerome P. Kennedy, Q.C.  
MHA, Carbonear-Barbour Grace  
Minister of Health and Community Services

P.O. Box 8700, St. John’s, NL, Canada A1B 4J6  
Office of the Premier  
cc Ms. Rolanda Ryan

Attorney General for Newfoundland and Labrador