

A Business Case for Eliminating the Three-Month Wait for OHIP

The Issue

Continuing the practice of applying a three-month wait period for newcomers receiving OHIP both undermines Ontario's competitive advantage in the attraction and retention of immigrants, as well as causing our health care system to endure downstream costs due to delays in seeking care until provincial insurance is obtained.

Investment Cost

The government of Ontario would be required to invest up to \$60 million per annum in order to eliminate the three-month wait for OHIP¹. This amounts to approximately 0.1% of total provincial health care expenditures and 0.05% of the total provincial budget. However, this figure likely overestimates the true investment cost according to the 'healthy immigrant effect'. Further, the benefits to eliminating the three-month wait for OHIP would be seen in decreasing downstream costs in health care as well as in areas beyond health, ultimately resulting in numerous cost savings for the province.

Rationale

1. Ontario is losing its competitive advantage when compared to other Canadian jurisdictions in the attraction and retention of immigrants. Other provinces have been aggressive in creating environments that are appeal to new immigrants. The three-month wait, along with other provincial practices, contributes to the loss of competitive advantage which Ontario once had.
2. The Ontario Ministry of Health and Long Term Care is focused on creating a more effective and efficient health care system. Immigrants in the three-month wait period, who delay seeking health care for chronic and acute care issues, may drive up the cost of health care delivery. Consequently, any upfront savings realized during the three-month wait may be compromised and the return on savings low.
3. People arriving in Canada start contributing to society and provincial coffers upon arrival in the province in the form of provincial sales taxes (HST) as well as provincial income taxes and municipal school taxes as soon as they obtain employment. Therefore, it is a matter of basic social equity and natural justice that people should be able to access the services into which they pay.
4. Numerous policies support the elimination of the three-month wait for immigrants to Ontario. These include the Canada Health Act, The Ontario Human Rights Code, The Canadian Charter of Rights and Freedoms and the United Nations International Covenant on Economic, Social and Cultural Rights.

¹ See Business Case for details

Benefits to Eliminating the Three-Month Wait for OHIP

This policy decision would be in alignment with most other provinces in Canada and will improve Ontario's competitive advantage in attracting and retaining immigrants. We also strongly believe that this is a matter of equity and justice, allowing new immigrants to obtain the right to health immediately upon arrival. In addition, it will contribute to the achievement of other provincial priorities, including:

1. Health outcomes: Immigrants who are able to access health care can better manage chronic conditions and thereby avoid complications which result in emergency room visits or hospital stays and health care dollars would be used more appropriately.
2. Economic outcomes: Immigrants who do not have to address potential financial and emotional costs that may result from health care expenses accrued during the three-month wait period may be more economically effective.
3. Education outcomes: All immigrant children would be assessed and vaccinated in order to be registered into school immediately.
4. Labour market outcomes: Immigrants may be deterred from leaving Ontario for other, more welcoming provinces as Ontario and can contribute their skills, knowledge and expertise to Ontario's labour market.

Conclusion

The province of Ontario needs to invest up to \$60 million per annum in order to be competitive nationally, to be in alignment with its current policy priorities and to better contribute to successful settlement and integration outcomes for immigrants arriving in Ontario. It is believed that this initial investment cost will be more than made up from the avoidance of unnecessary downstream costs to the health care system from complications incurred during the waiting period for those who delay seeking care due to inability to pay. The elimination of this three-month waiting period would be the most appropriate measure from an economic, health and equity perspective.