

Government Response to the Sixth Report of the Standing Committee on Public
Accounts

Chapter 5, Management of Programs for First Nations of the May 2006 Report of the
Auditor General of Canada

PRESCRIPTION DRUGS

RECOMMENDATION 1

RECOMMENDATION 2

RECOMMENDATION 3

MOLD IN ON-RESERVE HOUSING

RECOMMENDATION 4

FIRST NATION REPORTING

RECOMMENDATION 5

COMPREHENSIVE LAND CLAIMS IMPLEMENTATION

RECOMMENDATION 6

RECOMMENDATION 7

THIRD PARTY MANAGEMENT

RECOMMENDATION 8

RECOMMENDATION 9

RECOMMENDATION 10

MANAGEMENT ATTENTION

RECOMMENDATION 11

BACKGROUND

PRESCRIPTION DRUGS

Recommendation 1

Health Canada complete its study of a legislative option in consultation with First Nations with regard to the Non-Insured Health Benefits Program and submit it to the Committee no later than 30 June 2006.

Health Canada (HC) is committed to expanding program options, as well as exploring the development of specific legislative authorities, in order to ensure patient safety and prevent prescription drug misuse.

As part of the Health Protection Legislation Renewal initiative, HC continues to explore options for enabling authorities relating to the collection, use, retention and disclosure of personal health information. Legal review is ongoing to ensure that any legislative authority to disclose personal health information is consistent with existing privacy legislation and the Canadian Charter of Rights and Freedoms.

From a program perspective, beginning in November 2004, the Non-Insured Health Benefits (NIHB) program augmented its approach to client safety, particularly in relation to the quantity and type of drugs prescribed to clients. HC is pleased that the Committee acknowledged in its Sixth Report the enhancements to NIHB's Drug Utilization Evaluation (DUE) initiative. The DUE consists of several components, which are explained further in the background at the end of this response. HC is currently tracking the impact of these changes and is confident that these system improvements will contribute significantly to patient safety.

HC is also working with First Nations communities in implementing demonstration projects aimed at preventing inappropriate use of prescription drugs and promoting the healthier use of prescription medications. Linkages are being established among First Nations and Inuit communities, academic institutions, health care organizations, and other local organizations. Intermediate results will provide a better understanding of how to design and implement effective intervention strategies that are culturally specific and knowledge based. The long term objective of the demonstration projects is to develop culturally appropriate, evidence based prevention and promotion strategies that reduce inappropriate use of medications, leading to improved health outcomes for Aboriginal people.

Client safety is of primary importance to HC's NIHB program. The focus is on developing further enhancements to the DUE initiative, implementing culturally appropriate, evidence based prevention and promotion strategies, and measuring progress in these areas. Identifying and addressing the most potentially damaging drugs and removing opportunities for misuse and developing community programming to prevent prescription drug misuse will continue to be immediate priorities, while the potential for legislative authorities are developed in collaboration with other areas of the health portfolio and legal services. Due to this ongoing legal review of a legislative option, HC was unable to meet the Committee's timeline to complete and submit a study on this recommendation by 30 June 2006. HC will continue its work in this regard and will report back to the Committee, once legal review has been completed.

Top of Page

Recommendation 2

Health Canada complete its discussions with provincial coroners and offices of vital statistics and develop a protocol by 31 March 2007, on the collection and provision of data related to death and injury due to inappropriate use of prescription drugs paid for under the Non-Insured Health Benefit Program. Upon completion of the protocol, Health Canada must, by 30 September 2007, provide the Committee with a detailed action plan to implement the protocol.

Health Canada agrees in principle with this recommendation and, beginning in 2000, initiated discussions with provincial and territorial coroners and medical examiners in order to determine how best to access information relating to prescription related deaths among First Nations and Inuit clients who access prescription drug benefits through the NIHB program.

HC has encountered significant challenges in implementing this recommendation. Provincial and territorial coroners and medical examiners raised concerns about the lack of relevant legal authorities for the sharing of information with HC. As part of the Health Protection Legislation Renewal initiative, HC is exploring the creation of certain enabling authorities relating to the collection, use, retention and disclosure of personal health information, to address these concerns.

There are also inherent concerns with the nature and accessibility of the data. First, there is a lack of consistency in the way provinces and territories recognize race/ethnicity on

medical certificates of death. As a result, national tracking of deaths related to prescription drug misuse among registered First Nations and Inuit is currently not possible.

Second, NIHB only serves First Nations and Inuit people who are included in HC's Status Verification System (SVS). Therefore, in order to assess NIHB client deaths, death information would have to be correlated with the SVS. This process would require creating data linkages between SVS and the vital statistics data in each province and territory. In addition to concerns about a lack of legislative authority to share information, this would require significant enhancements to research systems at the federal level.

Third, attending physicians use an international coding system that consists of 22 separate coding categories, each with multiple subcategories, to register cause of death. Prescription drug misuse causing death could be reported in no less than six of these categories. These varied reporting options make analysis of the incidence of prescription related deaths by NIHB clients a complex endeavour. As a result of this complex reporting framework, there is ample academic research suggesting a high incidence of doctor /coroner error in the accurate identification of cause of death in the completion of death certificates.

Finally, there is difficulty in establishing causal linkages between an individual's use of prescription drugs and the cause of death. Particularly in cases involving senior citizens, attending physicians may log the cause of death as naturally occurring, so any impact of prescription drug use may not be captured by the coroners' data or in vital statistics.

In the spring of 2006, NIHB officials reinitiated discussions via letters to provincial and territorial medical examiners and chief coroners. The Chair of the Chief Coroners and Chief Medical Examiners of Canada provided a response dated 16 June 2006, on behalf of all individual jurisdictions, noting that the information specifically sought was either not available or not appropriate and would not be forthcoming.

In light of the complexity of the issues related to collecting and sharing of data, the characteristics of these statistics and the lack of a clear methodology to use and interpret the available statistics down into the specific variables desired for study, addressing this recommendation continues to present challenges. Given these difficulties, it is unlikely that HC will be able to meet the Committee's recommendation to complete a protocol with provincial and territorial coroners by March 2007. However, HC will continue to explore potential options to address this issue and report back to the Committee on the outcomes of these efforts.

Top of Page

Recommendation 3

Health Canada begin to report annually in its Departmental Performance Report to the House of Commons on the outcomes achieved by each of its initiatives aimed at reducing the inappropriate use of prescription drugs paid for by its Non-Insured Health Benefits

Program beginning with its Report for the period ending 31 March 2006. The cost of each initiative is to be referenced as well.

Following a recommendation by the Standing Committee on Public Accounts in 2005, Health Canada now includes a Web link to the Non Insured Health Benefits program's Annual Report in the First Nations and Inuit Health Branch section of the Departmental Performance Report. Non Insured Health Benefits Program's Annual Report provides a narrative and statistical account of yearly activities related to the program including the prescription drugs benefit area. Expenditures for each benefit area, as well as descriptions of key program initiatives and activities such as efforts aimed at reducing prescription drug misuse are clearly referenced throughout the Annual Report.

Top of Page

MOLD IN ON-RESERVE HOUSING

Recommendation 4

Indian and Northern Affairs Canada, Health Canada, and the Canada Mortgage and Housing Corporation collectively develop a strategic plan to address the problem of mold in housing on First Nations reserves, under the leadership of Indian and Northern Affairs Canada. The strategic plan should include specific actions and responsibilities for each organization, a time line, performance indicators, objectives, and a means of reporting progress. It should be submitted to the Standing Committee on Public Accounts no later than 30 November 2006.

Mold is a public health and quality of life issue in First Nation communities that needs to be addressed in a comprehensive manner. Given this, the government, through INAC, CMHC and HC, in cooperation with the Assembly of First Nations (AFN), is committed to working with First Nation communities to effectively address this issue.

Since the Committee discussions in June 2006, INAC, CMHC, HC and the AFN have completed a framework for a national strategy. The main components of the strategy, currently under development, build on education and training already underway and include clarifying the responsibilities and accountabilities of all key players, increasing technical expertise among First Nations to prevent and address mold problems, assisting in the rehabilitation of the affected existing stock and improving new construction practices. The government and the AFN intend to engage First Nations on the implementation of the strategy in fall 2006. The draft strategy will be shared with SCOPA at the end of November, 2006.

National and regional implementation plans will be developed with First Nations based on the national strategy. These plans will be customized to coordinate implementation strategies at the regional level to meet specific community needs. Depending on the nature and extent of the problem, the regional strategies could range from general information dissemination directed to all First Nations, training efforts targeted at communities with identified mold issues, to more intensive intervention action plans for First Nations with severe mold problems. A key to understanding the extent and depth of the problem in First Nation communities is expanding First Nations' technical expertise and systematic data gathering. Measures of success will focus on the number of

communities that have effectively developed and implemented mold prevention and remediation strategies within each region.

In part, the national strategy will build on efforts already undertaken by INAC, HC, CMHC and the AFN, through an interdepartmental committee on mold. The committee, formed in 1999, began by exchanging information and developing awareness at the regional and local level. It launched an information campaign targeted to First Nations through government and AFN publications, prepared an information guide for First Nation communities to enable housing providers to better understand the causes of mold and how to address it when it occurred, and developed a comprehensive set of training programs on indoor air quality. Training has been targeted to a full array of people involved in First Nations housing, including chief and council, housing managers, home builders, renovators, maintenance staff, building inspectors, and occupants. The training material covers topics such as mold prevention and remediation, ventilation systems, and basic home maintenance. A network of First Nation trainers, which has been developed over the years, continues to grow. Also, steps have been taken to build up a cadre of First Nation technical professionals able to identify and address mold issues. Efforts have intensified and, since 2004, over 150 training sessions have been given to some 2000 participants from over 200 First Nation communities. Work continues on the improvement of training materials, the delivery of training, the development of more First Nation trainers and the engagement of First Nation institutions and organizations to enhance First Nation capacity in best practices and mold remediation. Funding support has been provided to the First Nations National Building Officers Association, an organization devoted to developing more certified First Nation home inspectors.

There are various factors that contribute to the development of mold. They include: a lack of proper care and maintenance; inadequate air circulation and ventilation; poor site selection; overcrowding; and substandard construction practices and materials. Some issues, such as lack of proper care and maintenance and substandard construction practices and materials, need to be addressed by the communities, through education, training and awareness activities. The federal government will expand its efforts to engage communities and occupants in preventive and remedial activities. Existing programs such as CMHC's Residential Rehabilitation Assistance Program (RRAP) and INAC's housing funding can be utilized to remediate some of the structural problems but there is a limit to their reach. There also needs to be a recognition that some existing homes cannot be remediated owing to their advanced state of deterioration.

There are other systemic issues that require other approaches. For example, mold is exacerbated in many houses by overcrowding. There are simply not enough on reserve houses to meet the needs of many First Nation communities. Market based solutions (individual home ownership) hold great promise for some communities. To address the shortfall of on reserve houses there is a need to examine a range of policies and instruments and to develop alternate approaches to financing. INAC will undertake these activities in concert with CMHC, HC and the AFN.

Top of Page

FIRST NATION REPORTING

Recommendation 5

Indian and Northern Affairs Canada report to the Standing Committee on Public Accounts by 31 October 2006 on its progress in reducing the reporting burden on First Nations, as well as a plan for further actions to be taken.

INAC is committed to acting on this recommendation, fully recognizing the extent of the reporting burden on First Nations and the capacity utilized at the First Nations level to respond to the existing requirements of Government.

INAC is following a three-pronged approach which includes: reducing the amount of data collected from First Nations; increasing the efficiency of the procedures to submit and process reports; and, working with Treasury Board Secretariat to eliminate duplication where possible by working horizontally, through the Aboriginal Horizontal Framework, with other government departments to achieve a whole-of-government reduction.

Firstly, within the context of current policy, each program area is reviewing existing reporting requirements and is challenged on their requirement for the submission of these reports. However, as much of INAC's funding to First Nations takes the form of contributions. INAC relies on First Nations reporting in order to meet due diligence requirements and to report on results obtained for funding supplied. In addition, any requests for changes to reporting requirements must comply with the principles identified in INAC's Data Collection Policy (revised April 2006) to ensure that a rigorous department-wide management approach is followed. Such requests are subject to a challenge process as part of the policy.

Secondly, the implementation of a modern automated forms infrastructure is underway. An estimated 200 Recipient Reporting forms will be converted to automated forms that First Nations can complete on their personal computers (ie fill/print/save functionality) for the 2007-2008 funding agreement cycle. The First Nation will have the option of reporting with automated forms or they may continue to report with paper forms. All INAC's Recipient Reporting forms are available to First Nations as hardcopy and as downloadable files on the departmental extranet or on CDs distributed by regions.

Finally, in addition to its internal efforts, INAC continues to partner with Treasury Board Secretariat and other government departments that fund First Nation programs in the revision of the Transfer Payment Policy and the development of an Aboriginal-specific directive, in order to produce transfer agreements with greater flexibility and lower reporting burden. The work of the Blue Ribbon Panel on Grants and Contributions also has the potential of reducing reporting burden.

Top of Page

COMPREHENSIVE LAND CLAIMS IMPLEMENTATION

Recommendation 6

Indian and Northern Affairs Canada finalize its evaluation plan by 31 October 2006 and evaluate the impacts of comprehensive land claims agreements by 31 December 2007.

INAC concurs with the importance of evaluation and finalized the Multi-Year Evaluation Plan: Comprehensive Land Claims Agreements (CLCA) in June 2006. While the Standing Committee recommended that all evaluations be completed by 31 December 2007, INAC is following a four-phase process for evaluation of impacts of CLCAs that have been in place at least ten years: (i) detailed evaluation planning, including a review of literature and environmental scan on CLCA impacts; (ii) an evaluation assessment to determine which of five CLCAs is most appropriate for a pilot CLCA impact evaluation; (iii) pilot CLCA evaluation; and (iv) evaluation of other comprehensive land claim agreements that have been in effect for at least ten years, based on lessons learned from the pilot evaluation. The detailed planning phase was completed in March 2006; the evaluation assessment will be completed by March 2007; the pilot evaluation will be completed by December 2007; and other evaluations will be completed by December 2009.

The evaluation assessment by INAC will provide terms of reference and a proposed methodology for the pilot evaluation. The recommendation as to which CLCA should be the focus of the pilot evaluation will be based on data availability, overall evaluability, and potential for lessons learned that will contribute to the success of subsequent CLCA evaluations. A key component of the work will be a “doability assessment” of impact indicators and data sources in a 2002 evaluation framework and identification and testing of a clear list of indicators and data sources for the pilot assessment.

Top of Page

Recommendation 7

Indian and Northern Affairs Canada establish indicators and objectives and provide information on the outcomes achieved as a result of comprehensive land claim agreements in its annual departmental performance Reports beginning with the report for the period ending 31 March 2007.

INAC agrees with the recommendation and is cognizant of the importance of also providing a focus on longer term shared objectives and the measurement of mutually desired results. However, Canada is just one party to these agreements and requires the cooperation of other partners (aboriginal and provincial and territorial governments) to advance this work. To this end, INAC, in collaboration with its comprehensive land claim agreement partners, is developing best practices in measuring and reporting on progress in achieving long term shared objectives. For example, a number of initiatives are underway to promote and establish results based management approaches within existing implementation processes, including the delivery of results based management workshops and the establishment of specific pilot projects with signatories to comprehensive land claim agreements. INAC’s Multi Year Evaluation Plan: Comprehensive Land Claim Agreements, with interim completion phases scheduled for March 2007 and December 2007, is also expected to contribute information specifically on the development or refinement of performance indicators as well as how the implementation of these claims have contributed to the achievement of shared objectives. INAC expects to report on the results of these efforts in future years Departmental Performance Reports.

Top of Page

THIRD PARTY MANAGEMENT

Recommendation 8

Indian and Northern Affairs Canada ensure that First Nations communities have adequate financial administration capacity by providing training where needed.

INAC concurs with the need to accelerate capacity development activities in those First Nations that are under some form of intervention. To date, initiatives have been undertaken in support of capacity development both at the level of the affected First Nation community and at the institutional level. In addition to ongoing capacity-development activity through existing programs, INAC provides annual support for the Aboriginal Financial Officers Association, which runs training and financial certification programs for First Nations employees.

INAC is reviewing all of its intervention-related policies, taking into account the Auditor General's comments and through this process, is recasting the entire intervention framework into a single policy. One significant element of this amended policy focuses on enhanced capacity building targeted specifically to those First Nations under third-party management. Concrete initiatives have been developed at the level of the affected First Nations community, in addition to expanding the ability of the Aboriginal Financial Officers Association to work with individual First Nations communities. The ultimate objective is to bring an earlier resolution to the third-party situation by strengthening managerial capacity within First Nations.

Top of Page

Recommendation 9

Where third-party management is put in place, Indian and Northern Affairs Canada has a clear plan to end the third-party management.

INAC concurs with this recommendation and acknowledges that while most First Nation communities have sound financial administration, some communities may encounter difficulties due, in part, to lack of financial administration capacity. In this event, INAC will intervene according to the Intervention Policy Framework. The appointment of a Third Party Manager most typically occurs when there are major financial management capacity issues and the First Nation is unwilling to address the issues. The primary goal for third-party management is to maintain the provision of essential programs and services to communities while problem situations that gave rise to the intervention are being addressed by the First Nation.

As noted above, a revised Intervention Policy Framework is under development. An essential element of this revised policy focusses on de-escalating and ending intervention as soon as possible through the development of comprehensive exit strategies as a companion to enhanced managerial capacity.

Top of Page

Recommendation 10

Indian and Northern Affairs Canada conduct an evaluation of the effectiveness of third-party management intervention by December 31, 2006.

INAC supports the need for regular evaluation of the effectiveness of third-party management. Throughout the policy review and evaluation process, leading to the development of a revised Intervention Policy Framework, INAC has benefited from the involvement of First Nations and their representative organizations. An Advisory Committee was established with representation from various Aboriginal organizations and First Nations, other federal government departments and financial institutions.

It would be premature to commit to evaluate the effectiveness of the revised Intervention Policy Framework until sufficient time has elapsed after the new policy comes into effect to enable relevant data to be collected on its impact. However, following promulgation of the new policy, INAC will ensure that its Strategic Risk-based Audit and Evaluation Plan identify an evaluation within a reasonable time frame.

Top of Page

MANAGEMENT ATTENTION

Recommendation 11

Senior public servants at Indian and Northern Affairs Canada, especially the Deputy Minister, be appointed for a period of at least three years, as was recommended by the Committee in its 10th and 17th reports during the 38th Parliament.

As was indicated in the Government Response to the Tenth Report of the Standing Committee on Public Accounts in 2005 (Recommendation 4), the appointment of deputy ministers and other senior public servants is based on a range of considerations, including the operational and policy needs of the government. The length of a deputy minister's term in a position in no way affects his or her accountability and responsibility. Deputy ministers have significant depth and breadth of experience and expertise when appointed, and they remain accountable for the performance of their departments, regardless of the duration of their assignment. However, the government does make efforts to place deputy ministers in a department for a number of years to ensure stability and continuity for the organization.

In addition, flexibility is required. The government takes into account the value of stability and continuity for government organisations as well as the development of deputy minister's expertise and experience in making such appointments.

Top of Page

BACKGROUND

Detailed Information on NIHB Program Initiatives to Prevent Prescription Drug Misuse
As noted in the Sixth Report, the DUE initiative consists of several components. First, NIHB established the Drug Utilization Evaluation Advisory Committee to examine broad usage patterns of prescription drugs. This committee, composed of health professionals meets four times per year and makes recommendations regarding the continued availability of certain prescription drugs where patterns of concern arise. Second, client level interventions have been enhanced in situations where prescription drug misuse is perceived. In these cases, NIHB staff make interventions and attempt to obtain consent from the client so that information can be shared with health care professionals. In 2005, as a result of this new approach, NIHB made over 700 interventions with health care

professionals. Third, automatically generated warning codes have been redefined or created to alert pharmacists to situations of potential concern. In the last 12 months, over 500,000 of these codes have been sent to pharmacists. In April 2006, a new code was established that is issued to alert pharmacists at point of sale of potential client overuse or misuse of opioids or benzodiazepines. To date, over 6000 messages have been sent since April 28, 2006. In addition, in January of 2005, NIHB tightened the maximum allowable acetaminophen opioid combination category of drugs which resulted in an increase in opioid rejections by a factor of five (from 260 rejections to 1300 in the first year). Fourth, NIHB is developing a physician profiling tool to identify physicians who prescribe outside of normal prescribing trends for drugs of concern. This tool may also help in the identification of clients who contact multiple doctors for opioids. It is expected that this element of the enhanced DUE initiative will be operational by the end of the 2006-07 fiscal year.

Preliminary information indicates a downward trend in the use of benzodiazepines, since the patient safety aspects of the program were enhanced. For example, when the enhanced DUE system was implemented the total number of claims for benzodiazepines during Q1 of 2005-06 was 118,000. By Q4 of 2005-06 the number of claims had dropped to 113,000. In Q1 of 2006-07 benzodiazepines claims continued to decline to 111,000. It is also important to note that while benzodiazepine use declined during this period, the number of eligible clients rose during the same period.

Because benzodiazepines have limited clinically valid long term usages, they have been the focus of intervention. Opioids present a more complex challenge in that there is ample clinical evidence to suggest this class of drugs is valuable and clinically necessary in the management of chronic pain, including cancer related pain. The next steps for the DUE initiative are to enhance the way NIHB addresses situations where acetaminophen based opioid use is connected to plain acetaminophen use; where multiple doctors are being accessed; and where multiple long acting opioids are being prescribed/accessed. Once the next set of interventions is designed and implemented, Health Canada will be in a position to report on preliminary impacts.