

18 February 2020

Mr. Patrick Dicerni
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Drugs and Devices Division
Ontario Ministry of Health
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Ms. Eva Roszuk
Director
Assistive Devices Program (ADP)
Ontario Ministry of Health
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Toronto, ON M2M 4K5

Re: ADP Adult Wheeled Walker Pricing Changes

Dear Patrick and Eva:

We have consulted with our members on the pricing changes announced on 10 February, and we have the following comments for the Ministry of Health and ADP.

We share the objective of reducing costs for the Assistive Devices Program. The policy change announced this week, however, will not produce outcomes that are beneficial for Ontarians. As you know, the mandate of ADP is twofold: *“To provide Ontario residents with fair and affordable access to a range of Devices and to provide Vendors with a fair and predictable return on their investment.”* We believe the pricing changes unduly undermine the range of devices available to Ontarians in part because it undermines the economics of the program, i.e. the ability for vendors to earn *“a fair and predictable return on their investment”*.

In particular, the pricing changes will produce three unintended consequences:

1. There will be more limited availability of wheeled walkers and fewer choices for clients. The reason for this is, in response to the Ministry’s announcement, vendors are being forced to reduce the number of models that they offer, or to get out of the business of offering wheeled walkers because it is uneconomic to stay in that line of business.
2. The devices available through ADP will be of lower quality and with fewer safety features than previously. This is because, to account for the policy change, vendors will have to downgrade the models that they provide.
3. Services that are currently provided at no cost to clients will either be terminated or charged at the client’s expense. There are important services that are associated with these products, and the provision of these services is funded by the price. When the price is reduced, vendors will have to limit services or charge an additional fee (thus negating the price reduction to clients).

It appears that the analysis that supported the Ministry’s policy change considered only the transaction costs, and not the full cost of providing the devices and associated services to clients. Such an analysis is inadequate, as it oversimplifies what is involved with delivering these devices, and how vendors will respond.

We all want to provide the best devices at fair prices to Ontarians with disabilities. And we believe there are other policy options that are more helpful and cost-effective to clients and would provide the same or better savings to the Ministry and clients. They should have been considered.

We are disappointed that ADP did not consult with CADA at all as part of these pricing changes. The success of ADP for Ontarians with disabilities depends on a genuine partnership.

If CADA and other major stakeholders had had the opportunity to participate in consultations in advance of this policy change, the Ministry could have produced cost saving initiatives that would have had the same or a better fiscal outcome than the recent funding changes.

On behalf of Authorized Vendors in Ontario, therefore, CADA is making a formal request for collaboration and communication with the Ministry on this and future policy changes.

We request the opportunity to meet with the Ministry to present options that will support all stakeholders' needs and to collaborate on client-centered initiatives that will ensure ADP continues to meet its mandate and serves the citizens of Ontario in more efficient way.

Thank you for your time. CADA looks forward to a future where the Ministry and industry work together to accomplish goals that produce superior results for the Ontarians who rely on ADP and these devices.

Sincerely,



Jeff Preston
President, CADA



Erin Roberts
Executive Director, CADA

cc: Hon. Christine Elliott, MPP, Deputy Premier and Minister of Health