

QUESTIONS AND ANSWERS ON NEED FOR AN ANNUAL FEE

Feb. 1st, 2010

1. Why an annual fee now, when the Coop has been in existence for 6 years?

The Coop can no longer operate without an adequate source of revenue. The administrators were able to establish the Coop and to keep it operating without any important sources of revenue, but this has meant that we have been accumulating a deficit; we have to pay both the capital and interest of the mortgage on the health centre building and we do not have the money we need to continue to grow in response to increased demand. We have reached the point where we will have to shut down or find a means to finance continuing operations.

2. What is the financial situation of the Coop at the end of 2009?

The Coop has reached the end of its sixth year of operation. With the exception of one year, the Coop has finished every year in a deficit position since 2004. It has been able to keep afloat by dipping into the funds from the sale of member shares. Within the next year, these funds will be exhausted and the Coop will likely have to cease operations and put itself into bankruptcy. The doctors will find another method of operation, either in the existing building on rue du Couvent for a while or by moving elsewhere where there is no doubt they will be welcomed. To avoid this happening, the Coop must change its business model. The Coop needs a stream of revenue to bring about some necessary changes including either making improvements to the existing building or moving to a better location, hiring a manager who can ensure a more effective administration, and acquiring a more adequate system of information and file manager. All of this could take from 12 to 18 months.

3. Do other Health Coops have an annual fee?

All the Coops that we know receive some type of financial support, either from their municipality or from their members in the form of an annual fee. Some Coops have set their fee at \$100, as we have, even though they cannot offer the services of 9 doctors or a daily walk-in clinic, as we do. We know of Coops that have an annual fee of \$75 without even being able to ensure access to the services of a doctor.

4. How would the Coop use the money from an annual fee?

The first use of revenues would be to stop the hemorrhaging and to ensure that the Coop will not have to continue to increase its debt load in order to operate in years to come. The clinic urgently needs better accommodations that will be more practical and better suited to the modern practice of medicine and will allow the development of new services. We need more space so that we can attract and provide offices for more doctors. We also need better equipment and a modern electronic filing system, and we would like to be able to put in place new community programs in such areas as prevention, health information and vaccinations. It is with this more secure funding that we will be able to accept more persons who are waiting to be members and we will get closer to the moment when all our members will have a family doctor.

5. Why do I need to pay an annual fee when I already pay taxes?

The medical services provided by our doctors continue to be paid by the RAMQ. However, the Government of Quebec is having trouble meeting the increasing costs of health services and we cannot expect them to finance medical clinics or health services coops. We also cannot count on it to attract to our clinic all the doctors that we need. We have to do our own recruiting and take the measures necessary to keep our doctors and to put in place the services to which we are entitled. These are the reasons the Coop was founded in the first place.

6. Will the annual fee be tax deductible?

On the basis of the information that we have received from Revenu Québec, neither the member's share nor the annual fee is tax deductible as a medical expense or a professional membership fee. The same policy applies at the federal level.

7. What happens if I refuse to pay?

The fee is obligatory for all members. We all have to participate in the effort to ensure the survival and continuing operating of our Coop. We are counting on everyone's understanding and we are confident that you will accept this necessity with good grace. Any member who fails to pay the annual fee before the deadline will permanently lose his/her status as a member and the accompanying privileges and that membership will be offered to someone on our waiting list.

8. How can I be sure the money from these fees are being used properly?

The money from the annual fee goes to the Coop Santé account and will be managed by the directors who are elected each year at the annual general meeting of the membership. At this meeting, the financial statements which have been verified by an independent firm of accountants, are presented to the membership and questions can be asked prior to their approval. Every penny is spent to serve the health needs of our members. Directors receive no remuneration.

9. Will this money be used to pay our doctors?

Our doctors are paid by the Government of Quebec for each patient that they examine and care for.

10. Will there be a fee adjustment for couples and families?

The fee for the year 2009-2010 has been set, in general terms, as \$100 per member. However, the board of directors has adopted a policy for this year with respect to couples and families. In the case of spouses residing at the same address, the first member will pay \$100 and the second will pay \$50. In the case of families, children under 18 on December 31, 2009 do not pay the fee and children between 18 and 25 on the same date, who are members and who can prove that they are full-time students (even if they do not live at home) will only have to pay \$25.

11. What are the advantages for me of being a member of the Coop?

The Coop ensures that you have health services here in Aylmer rather than having to find them in the Hull or Gatineau sectors or in Ottawa or elsewhere. It offers you the pride of participating in a community project that serves all its members and which has the resources to act effectively. It provides the hope of having one's own family doctor if you do not already have one and a team of doctors who will care for you if your own doctor is absent. As a member, a simple call will get you rapid access to medical appointment. You have the confidence that comes with knowing that you and your family have easy access to medical services. And you will have the chance to benefit from the new services that the Coop plans to develop for its members.

12. If I pay the annual fee, can I be assured of getting a family doctor?

Our recruiting efforts, that have succeeded in bringing the number of doctors at the clinic to nine (9), has made it possible for quite a few members to be assigned a family doctor, However many members are still unassigned. Our recruiting efforts will continue and we hope that most of our members will be able to have a family doctor in the next few years. Of course, for that to happen, the Coop has to survive and prosper, thanks in large measure, to the financial support of its members through the annual fee.

13. Will the annual fee always be \$100?

The annual fee for 2010 was set at \$100 so that the Coop can deal with its financial obligations resulting from the deficits of previous years and with the expected costs of improvements to our premises along with the gradual addition of new services for members. We hope to be able to improve our financial position quite quickly; however, we expect an annual fee will have to remain in place for the foreseeable future. It is possible that in future years, the fee can be adjusted downward but we cannot say when or by how much.

14. Why are the sales taxes added?

It is required by law. Although the Coop is a not-for-profit organization, it does not have the status of a charity. It is required to collect these taxes and remit them to the government.

15. Can I pay in installments?

The fee must be paid in total during the first month of the year. However, a member who would have difficulty in paying, can negotiate with the secretariat of the Coop (located on the lower level of the clinic) to pay in two or more installments subject to certain conditions.

15. What happens to those who say they cannot pay the fee?

The Aylmer Health Coop is a community-based organization that wishes to serve the citizens of our area regardless of their financial circumstances. In the case of a member who can demonstrate that he/she does not have the means to pay the fee, the Coop could seek help from certain charitable foundations to advance the money until such time as the member has the means to pay.

16. Why should the Coop increase its space or relocate, given the associated costs?

The Coop is trying to serve an ever increasing population. The medical team has increased significantly during the past five years and we hope to continue adding more doctors to meet the needs of our members. We have reached the point where the existing facility no longer meets our needs. For example, we cannot offer proper access to people with

reduced mobility. We are in urgent need of larger premises that are better suited to the providing the modern medical services we deserve. If we choose to stay in the existing building, it will require renovations to increase space and install more modern technology that could cost up to \$3 million. As we do not have access to any form of financial assistance, we have been considering the alternative of renting space in another location.

17. Why does the Coop want to offer community services?

A health Coop like ours is more than a simple clinic where people can be seen by a doctor when they are sick. What we have is a group project, by and for our local population, to make it possible for all of us to improve our well-being by keeping informed and learning to preserve our health so that we can avoid having to consult a doctor except when absolutely necessary. The Coop was designed for us to take control of our health services and to allow our doctors to serve us better.

18. When would work begin on renovations or a move to another location take place?

The Coop already has a preliminary proposal from an architect respecting the existing building. At the same time, we continue to explore options for other accommodations possibly in available commercial space. Neither option can go forward until we have the financial means to proceed.

19. Wouldn't the use of volunteers help reduce the economic pressures?

Currently the directors of the Coop work very hard, without remuneration to manage the affairs of the Coop, to coordinate relations with the medical team, to try and recruit new doctors, to seek out and manage donations to improve our premises and our equipment, and much more. There has been very little response to any of our calls for other volunteers. But it must also be recognized that much of the work requires some form of expertise or training that is hard to provide to volunteers and few people have the availability to provide the number of hours these services must be provided weekly. Consequently the Coop has to pay for these services.

20. **Why is it so difficult to recruit doctors?**

There are too few new doctors being trained to meet the needs of a system where more older doctors want to retire. The situation is such that the Government of Quebec determines the number of doctors that each region can recruit in any given year. The Outaouais region has great difficulty competing with major centers like Montreal and Quebec when it comes to attracting doctors. The Aylmer Coop makes its own efforts to recruit and has had some success but it takes a lot of time and money and success often takes quite a while. This is in part because we compete not only with other cities and regions but also with modern and better equipped clinics in our own region that are more attractive to new doctors.

21. **Why does the Coop not receive financial assistance from the government?**

The government is short of money, of doctors and of nurses and more. It counts on foundations and other forms of philanthropy for the donations that buy major equipment for our hospitals. It counts more and more on Health Coops to help doctors to deliver basic services to local populations that should be paid by the state. It is unlikely that the situation will change soon. Communities that have already set up health coops like ours are in the best position to deal with the challenges of the future associated with obtaining health services.

22. **Why are the donations to the Coop not enough?**

The Aylmer Health Coop is very grateful to those individual citizens, social clubs and the Health Services Foundation for the financial assistance they have provided up to now. The gifts have made it possible to acquire a lot of needed equipment but it is not enough to cover administrative costs and ensure the long term survival of our Coop. We need a more reliable and steady source of revenue to continue to operate and to grow in response to member needs.

23. **What can I do to help?**

The most important thing that our members can do is to get interested in and stay informed about their Coop. Consult the Coop web site at <http://coopsa.org>. Learn about what is a stake and be able to explain to others the reasons that have resulted in the need to put in place an annual fee. The Coop also needs volunteers to sit on the board of directors and to help with the clerical work of managing the Coop. You need to attend the annual general meeting and to ask the questions that you want answered. IT'S YOUR COOP. GET INVOLVED.

FOR FURTHER INFORMATION, YOU CAN **LEAVE A MESSAGE** IN THE COOP VOICE BOX AT 819-684-7574 AND SOMEONE WILL CALL YOU BACK AS SOON AS POSSIBLE.